



Office of Missouri State Auditor
Nicole Galloway, CPA

Higher Education



Findings in the audit of the Department of Higher Education

<p>Student Financial Assistance Programs</p>	<p>The Missouri Department of Higher Education (MDHE) does not have sufficient procedures to ensure scholarships and financial assistance paid on students' behalf comply with program guidelines. The MDHE administers 11 scholarship and financial assistance programs. The largest programs are the Higher Education Academic Scholarship (Bright Flight), A+ Scholarship and Access Missouri Financial Assistance programs. MDHE relies on a department database, the Financial Assistance for Missouri Undergraduate Students (FAMOUS) system, to administer programs but does not sufficiently monitor the validity of data provided by institutions to support eligibility. Additionally, the MDHE does not periodically test the student eligibility determinations made by schools and related documentation or review schools' procedures for making the determinations. Auditors tested payments made on behalf of 60 students. Three of 30 A+ Scholarship payments reviewed exceeded amounts allowable under department regulations because the tuition rate exceeded the maximum allowable rate, the payment was related to coursework from which a student subsequently withdrew, or the student had exceeded the eligibility timeframe.</p>
<p>Advantage Missouri</p>	<p>The Advantage Missouri Loan Program was established in 1998 to provide forgivable loans to students in approved educational programs who became employed in the state in certain occupational areas of high demand. For each year of employment, one year of the loan would be forgiven. The MDHE has made no new loans since 2005, and now only receives payments on outstanding loans. The standard repayment term is 10 years. MDHE lacks procedures to monitor and resolve amounts due on defaulted loans, and of approximately \$8 million issued to 2,041 students, about \$5.2 million remains unpaid. The MDHE drafted program operating rules to supplement the loan contract, which broadly outlined issues regarding qualifications and terms, but did not officially adopt and promulgate those rules. MDHE personnel indicated borrowers were notified of loan terms before repayment was required, but the MDHE has not followed up on accounts in default status and does not know the current status of each outstanding loan or whether the loan is collectible.</p>
<p>User Account Management</p>	<p>The MDHE lacks sufficient procedures to ensure access to student financial aid data or other sensitive information is protected. The department's database system, FAMOUS, contains confidential student information such as social security numbers, financial assistance history and test scores. Employees of high schools, colleges and universities may access information in the FAMOUS system. Users submit a user agreement to MDHE, which is signed by the user and by an institutional representative. The department checks the user's title for reasonableness but lacks procedures to ensure the institutional representative was the appropriate individual to authorize FAMOUS access. Written agreements would establish the names and titles of individuals at each institution authorized to sign user agreements as the institutional representative and require prompt notification to the MDHE of individuals no longer needing system access.</p>

Board Meeting Minutes

The MDHE did not always comply with the Sunshine Law. The department does not prepare minutes for Coordinating Board for Higher Education (CBHE) work sessions, although sessions constitute public meetings. The CBHE also held two closed minutes in 2013 but did not maintain minutes for one closed meeting and did not record in public minutes certain required information, such as the reason for entering closed session.

In the areas audited, the overall performance of this entity was Fair.*

*The rating(s) cover only audited areas and do not reflect an opinion on the overall operation of the entity. Within that context, the rating scale indicates the following:

- Excellent:** The audit results indicate this entity is very well managed. The report contains no findings. In addition, if applicable, prior recommendations have been implemented.
- Good:** The audit results indicate this entity is well managed. The report contains few findings, and the entity has indicated most or all recommendations have already been, or will be, implemented. In addition, if applicable, many of the prior recommendations have been implemented.
- Fair:** The audit results indicate this entity needs to improve operations in several areas. The report contains several findings, or one or more findings that require management's immediate attention, and/or the entity has indicated several recommendations will not be implemented. In addition, if applicable, several prior recommendations have not been implemented.
- Poor:** The audit results indicate this entity needs to significantly improve operations. The report contains numerous findings that require management's immediate attention, and/or the entity has indicated most recommendations will not be implemented. In addition, if applicable, most prior recommendations have not been implemented.

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Department of Higher Education

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NICOLE GALLOWAY, CPA

Missouri State Auditor

Honorable Jeremiah W. Jay Nixon, Governor
and
Coordinating Board for Higher Education
and
Leroy Wade, Interim Commissioner
Department of Higher Education
Jefferson City, Missouri

We have audited certain operations of the Department of Higher Education, in fulfillment of our duties under Chapter 29, RSMo. The scope of our audit included, but was not necessarily limited to, the years ended June 30, 2015 and 2014. The objectives of our audit were to:

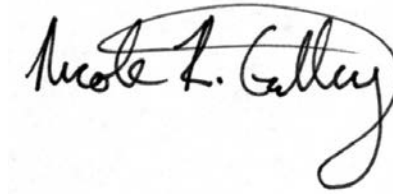
1. Evaluate the department's internal controls over significant management and financial functions.
2. Evaluate the department's compliance with certain legal provisions.
3. Evaluate the economy and efficiency of certain management practices and operations, including certain financial transactions.

Our methodology included reviewing minutes of meetings, written policies and procedures, financial records, and other pertinent documents; interviewing various personnel of the department, as well as certain external parties; and testing selected transactions. We obtained an understanding of internal controls that are significant within the context of the audit objectives and assessed whether such controls have been properly designed and placed in operation. We tested certain of those controls to obtain evidence regarding the effectiveness of their design and operation. We also obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted our audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides such a basis.

The accompanying Organization and Statistical Information is presented for informational purposes. This information was obtained from the department's management and was not subjected to the procedures applied in our audit of the department.

For the areas audited, we identified (1) deficiencies in internal controls, (2) noncompliance with legal provisions, and (3) the need for improvement in management practices and procedures. The accompanying Management Advisory Report presents our findings arising from our audit of the Department of Higher Education.

A handwritten signature in black ink, reading "Nicole R. Galloway". The signature is written in a cursive style with a large, looping flourish at the end of the name.

Nicole R. Galloway, CPA
State Auditor

The following auditors participated in the preparation of this report:

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Department of Higher Education

Management Advisory Report

State Auditor's Findings

1. Student Financial Assistance Programs

The Missouri Department of Higher Education (MDHE) does not have sufficient procedures and controls in place to ensure scholarships and financial assistance paid to colleges on students' behalf are permitted by program guidelines.

Background

The MDHE administers 11 scholarship and financial assistance programs with expenditures totaling approximately \$112 million and \$108 million in the fiscal years ended on June 30, 2015, and 2014, respectively. The largest programs are the Higher Education Academic Scholarship (Bright Flight), A+ Scholarship (A+), and Access Missouri Financial Assistance programs (Access Missouri). Awards from each program are made to eligible students attending a Missouri college, vocational school, or university. The Bright Flight program is merit-based for students who score in the top 5 percent of all Missouri students on the American College Testing (ACT) or Scholastic Aptitude Test (SAT) tests. The maximum award is \$3,000 per year. The A+ program reimburses colleges and vocational schools on behalf of eligible students for tuition costs with awards reduced by non-loan federal financial aid. The student must graduate from qualifying A+ designated high schools and attend public community colleges or vocational schools in Missouri. The Access Missouri program is need-based for students attending public or private colleges or universities. Amounts awarded are generally less than \$1,000 per semester and depend upon the student's family income. For each program, certain other eligibility requirements exist, including maintaining minimum grade point averages (GPA) to renew the award in subsequent semesters.

The MDHE and the institutions use the department's Financial Assistance for Missouri Undergraduate Students (FAMOUS) computer system for administration of the financial aid programs. For the Bright Flight and Access Missouri programs, each semester the MDHE establishes the initial list of eligible students based on the relevant student test scores (Bright Flight) from the ACT or SAT College Board and student financial resources (Access Missouri) from Free Application for Federal Student Assistance (FAFSA) forms completed by students. The schools certify the students have met the full-time enrollment requirements and other eligibility requirements. For the A+ program, each semester the colleges determine the eligible students and award amounts based on MDHE's program requirements and enter those students and amounts into FAMOUS. The MDHE disburses amounts to the schools based on eligible students and amounts in FAMOUS after certification by the schools.

Lack of Oversight

The MDHE does not sufficiently monitor the validity of data provided by colleges and universities to support student eligibility determinations, and the MDHE does not periodically test these determinations and related documentation or review the procedures used by the schools to make the



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determinations. The MDHE has edit checks¹ programmed in FAMOUS to detect duplicated awards or part-time enrollment, and queries of FAMOUS data are performed biannually before processing payments to remove students becoming ineligible based on non-continuous semester enrollment or exceeding the maximum number of allowed awards when applicable to the award program. However, the MDHE has not implemented procedures to ensure that other data entered into FAMOUS by the colleges and universities are valid or within program parameters.

For example, for A+ program awards, the MDHE does not ensure the mathematical accuracy of the award amount from the data entered by colleges and vocational schools for credit hours, tuition rates, and non-loan financial aid. In addition, the FAMOUS system has no edits to ensure tuition rates are within the allowable maximum. Other student information used in eligibility determinations, such as GPA and enrolled and withdrawn coursework, is maintained by the colleges and universities and not recorded in FAMOUS. The MDHE does not obtain or test the validity of this information to verify a students' eligibility. Also, the MDHE does not review the eligibility determination procedures used by the colleges and universities to ensure all relevant factors are consistently and properly considered. For the A+ program, the colleges and vocational schools are more principally involved in the eligibility determinations than the other 2 major student aid programs, consequently verification procedures by the MDHE are more important for that program.

Test Results

We tested financial aid payments to colleges and universities on behalf of 60 students for Bright Flight and A+ scholarships and Access Missouri awards using information on FAMOUS and supporting documentation provided by the schools. Of the 60 tested payments, 30 payments totaling \$38,415 were A+ scholarships. We noted 3 of 30 (10 percent) A+ scholarship payments, totaling \$1,230, were not allowable according to MDHE regulations or state law:

- The MDHE paid A+ tuition reimbursement for a student exceeding the maximum allowable amount by \$511 for the spring 2014 semester. The tuition rate used for determining this student's reimbursement was \$209, even though 6 CSR 10-2.190(4)(M) limits the rate for all schools to the published standard per credit hour charge of State Technical College (\$158 during fiscal year 2014). Schools enter tuition rates into FAMOUS, but the MDHE has no controls to identify when rates exceed the maximum. MDHE procedures allow schools to apply for waivers for

¹ An edit, also known as a data validity check, is program code that tests data for correct and reasonable conditions; such as mathematical accuracy; numeric data being all digits and not exceeding maximum allowable amounts; and dates having a valid day, month, and year; etc.



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tuition exceeding the limits for high need programs, but there was no waiver application for this program.

- The A+ tuition reimbursement for a student for one semester was \$390 more than allowed. The reimbursement was based upon a 3 credit hour course the student subsequently withdrew from according to the student's transcript obtained from the school. State regulation 6 CSR 10-2.190(4)(F) indicates coursework from which a student subsequently withdraws is not eligible for reimbursement and allows the school to adjust the award amount in these cases by reimbursing the MDHE or reducing subsequent reimbursement requests. The school did not adjust subsequent requests or reimburse the MDHE for the overpayment. The MDHE does not receive transcripts or other information from the schools to determine withdrawn coursework.
- The MDHE provided \$329 in A+ tuition reimbursement for a student after she had exceeded the program's eligibility timeframe of 48 months after high school graduation, as outlined in 6 CSR 10-2.190(4)(C). The student's reimbursement was for coursework in spring 2014, nearly 5 years after the student's high school graduation in May 2009. The MDHE has no system controls or other procedures to review for compliance with this requirement.

Based on the error rates and amounts of improper payments noted in our test, and the size of the A+ program, significant amounts of other A+ scholarships may have been improperly awarded and paid. Our review indicated that \$1,230 of \$38,415 (3.2 percent) of A+ award amounts tested were improper. If 3 percent of the \$65.8 million of A+ scholarships paid during the 2 years ended June 30, 2015, were similarly in error, the amount of improper payments during that period could approach \$2 million.

Conclusion

As a result of these errors, colleges received ineligible A+ payments from MDHE. While these errors were made by the colleges, the MDHE's processing and review procedures were insufficient to detect the errors. The MDHE maintains overall responsibility for ensuring student financial assistance is calculated correctly and distributed properly to colleges and universities on behalf of eligible students. Though we did not identify errors in the specific Bright Flight and Access Missouri awards tested, the MDHE should also extend its procedures to verify data supporting the eligibility of those awards and all other scholarship and financial assistance programs.

According to department personnel, the MDHE lacks sufficient staffing to more fully validate or monitor student aid distributions and lacks appropriations to make programming changes to FAMOUS to incorporate additional edit checks, based on the costs of changes made in the past. However, according to department personnel, the MDHE has not



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determined whether other controls, including additional edit checks in FAMOUS, data queries, or random testing of supporting documentation, can be implemented currently with available resources to detect or prevent ineligible students or erroneous award amounts.

Without proper review and verification procedures, the MDHE cannot ensure financial assistance paid to colleges and universities on behalf of students is appropriate. To ensure effective management and accurate awarding of state financial assistance, the MDHE should consider further edit checks in FAMOUS and perform monitoring procedures and sampling at the colleges and universities. Such procedures can help ensure data supporting the eligibility status of students is being properly verified and ineligible students do not receive student financial assistance.

A similar condition was noted in a previous audit of the MDHE.

Recommendation

The MDHE periodically review procedures used, and sample student eligibility determinations made, by colleges and universities for financial assistance programs administered by the MDHE. In addition, the MDHE should consider implementing additional edit checks in FAMOUS, or establish other review procedures, to identify ineligible students or erroneous award amounts.

Auditee's Response

We somewhat agree. The MDHE relies, in part, on institutional verification of student eligibility. This approach provides a cost-effective mechanism for this vital process and plays a critical role in the administration of the state student financial aid programs. Overall, the department believes institutions provide accurate and reliable information when verifying student eligibility and requesting payment. However, we agree our oversight procedures can be strengthened, particularly for the A+ program. MDHE will begin conducting compliance reviews as soon as practical and to the extent possible given current resource limitations. In addition, the department has identified additional edit checks to prevent award disbursement to ineligible students and ensure correct award amounts. We will initiate discussions with Office of Administration - Information Technology Services Division staff to determine the feasibility of incorporating those checks in FAMOUS and will implement the changes as the staffing and monetary resources identified in the feasibility study become available.

2. Advantage Missouri Loan Program

The MDHE lacks procedures to monitor and resolve amounts due on outstanding loans under the Advantage Missouri Loan Program. The MDHE has not notified recipients with defaulted loans or engaged in other efforts to identify outstanding loans or collect on those loans. Several million dollars in loans remain outstanding.



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In 1998, Section 173.775, RSMo, established the Advantage Missouri Loan Program to provide forgivable loans to students in approved educational programs who became employed in occupational areas of high demand in the state, such as biomedical, advanced manufacturing, and computer-related occupations. For each year of employment after graduation, one year of the loan would be forgiven. The MDHE has made no new loans since 2005, when the General Assembly stopped appropriating funding for the program, and now only receives payments on outstanding loans. Amounts collected through repayment are credited to the Advantage Missouri Trust Fund pursuant to state law. Collections were available for further loans until 2005. In subsequent years, collections were transferred to other state student aid programs and the state's General Revenue Fund. Amounts transferred to the Access Missouri Financial Assistance Fund and the Academic Scholarship Fund totaled \$575,000. Loan repayments received by the MDHE during the 2 years ended June 30, 2015, totaled about \$38,000.

The loan contract with borrowers broadly outlined issues regarding program qualifications, loan forgiveness and repayment terms, and default status and referred to the section in state regulations where program operating rules were expected to be placed. The loan contract allowed borrowers a 1 year grace period before employment or repayment was required to begin. The MDHE drafted program operating rules further explaining conditions for repayment, forgiveness, default, and other matters. The rules stated the standard repayment term for each loan was 10 years, with an interest rate set based on the federal student loan rate applicable when the borrower entered repayment (which ranged from 3 to 8 percent). While MDHE personnel indicated they applied these rules in managing the program, the rules were never officially adopted and promulgated by the MDHE. Based on the loan dates and program terms, most loans should have now been substantially repaid or forgiven.

Significant amounts loaned to students remain unpaid. Based on MDHE records of loans disbursed, 2,041 students received loans totaling about \$8 million. According to MDHE personnel, unpaid principal balances totaled about \$5.2 million as of June 30, 2015. MDHE personnel indicated the unpaid principal also may include loans where the borrower has fulfilled the employment obligation but has not notified the MDHE for the loans to be forgiven. Additionally, interest is due on the unpaid principal. Using the lowest interest rate in effect during the program (about 3 percent), we estimate accumulated interest charges on the outstanding principal exceed \$1.5 million. According to MDHE personnel, 689 borrowers had loans totally repaid or forgiven, 9 borrowers were making repayments, and the remaining 1,343 borrowers were potentially in default status, as of June 30, 2015.



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Besides two notices during the grace period, MDHE personnel indicated all borrowers were notified at the end of their grace periods regarding loans received, interest rates, principal balances, payment amounts, due dates, and other relevant information. MDHE personnel indicated no delinquent notices were sent or other collection efforts on delinquent accounts performed since inception of the program because a lack of staffing and shortcomings in the computer system used to track outstanding loans made it difficult to promptly identify defaulted loans and perform necessary follow up actions. Based on the amounts currently due and length of time since the program ended, it is likely many of the defaulted borrowers have not made payments for years. The rules drafted by the MDHE required notification of recipients by certified mail of default status within 10 days of when a loan was considered in default, and the recipient was to be allowed 30 days from the date of the certified letter to make satisfactory payment arrangements.

Monitoring accounts, providing prompt communications to borrowers, and timely pursuing collection on delinquent accounts is essential for proper administration of any loan program. Collection efforts on delinquent accounts become more difficult over time due to relocation of borrowers or other factors. In addition, because MDHE has not promptly pursued collections some of the outstanding loans may have been in default status for sufficient time that collection efforts are now, or soon will be, precluded by state law. Section 516.110, RSMo, requires actions for payment be commenced within 10 years. Efforts are needed now to properly assess the status of the outstanding borrowers to determine which loans met forgiveness requirements and which are in default. Without timely action, additional monies due the MDHE may become uncollectible. Prompt notification to borrowers upon default is needed to ensure the borrowers are aware of their obligation, status of their account, and consequences for nonpayment.

Recommendation

The MDHE should determine the current status of each outstanding loan, identify which are viable to collect on, and work with the CBHE to determine the appropriate actions to resolve the delinquent accounts.

Auditee's Response

We agree. As a loan forgiveness program, administration of Advantage Missouri is labor intensive, requiring sufficient staff, system, and monetary resources to adequately monitor borrowers' employment and repayment statuses. MDHE lacked resources to develop a system capable of managing complex loan maintenance and collections. In addition, over the last five years the department's program administration duties have expanded significantly, while staff resources have not. The department focused its limited resources on those borrowers who were in active employment or repayment. However, now that loan servicing is almost complete for those borrowers, it will be necessary to adjust staff and other resources to address



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this issue. That adjustment will require the establishment of collection and monitoring procedures to service as many of the outstanding loans as possible and the department will explore the feasibility of including wage garnishment, state tax offset, and use of a collection agency in those procedures.

3. User Account Management

The MDHE does not have sufficient procedures in place to ensure access to student financial aid data or other sensitive information is protected. In addition, the MDHE has not executed agreements with the institutions establishing the names and titles of individuals at each institution authorized to sign a user agreement as the institutional representative and does not require prompt notification to the MDHE of individuals no longer needing access to the system.

The MDHE maintains the FAMOUS database system and allows employees of high schools, colleges and universities to access the information maintained in FAMOUS about students at their institutions to administer the financial aid programs managed by the MDHE. The FAMOUS contains student names, addresses, social security numbers, state financial assistance history, names of a student's family members, ACT and SAT scores, and other confidential information. Users at approximately 600 high schools and 80 higher education institutions potentially have access to data on FAMOUS. To be granted access, users must submit to the MDHE a user agreement signed by the user and an institutional representative, which must contain the job titles of both individuals. The user agreement outlines the requirements for appropriate use of the information on the system and the confidentiality requirements related to that information, and indicates the representative is to be one who can legally sign documents for the institution and has knowledge of the applicant's system access needs.

As part of its procedures for review of the user agreements, the MDHE considers whether titles of the user and institutional representative are reasonable, but the MDHE has no procedure to ensure that the institutional representative was an appropriate individual authorized to approve access. Additionally, while the MDHE staff contact institutions about users who have not accessed the system in 12 months and remove those individuals who no longer need access, the MDHE does not require institutions promptly notify the MDHE of users who no longer need access.

The MDHE should execute agreements with the institutions to appropriately limit access to the system. The agreements should specify the individuals at each institution responsible for approving user access applications and outline procedures for timely notifying the MDHE of users no longer needing access. Such agreements are needed to help protect against unneeded or inappropriate access to the system and reduce the vulnerability of confidential student information to unauthorized disclosure and use.



Recommendations

The MDHE should execute agreements with the institutions that specify individuals responsible for authorizing access and that outline procedures for prompt notification to the MDHE of users no longer needing access.

Auditee's Response

We agree. MDHE has revised the FAMOUS User Agreement to require signature of the institution's chief executive officer (president, chancellor, or superintendent), or the documented designee of the chief executive officer. The department's agreement review procedures have also been revised to include verification that the signatory is the chief executive officer or, when applicable, collection of documentation from the institution verifying the signatory is otherwise authorized to sign for the institution. In addition, MDHE has revised the user agreement to require users to immediately notify the department when they no longer hold a position requiring FAMOUS access to perform their job duties.

4. Board Meeting Minutes

The MDHE did not always prepare minutes for board meetings as required by the Sunshine Law, Chapter 610, RSMo.

4.1 Work Sessions

The MDHE does not prepare minutes for Coordinating Board for Higher Education (CBHE) work sessions. The CBHE generally conducts meetings 6 times per year. The CBHE usually holds a work session with MDHE personnel before each public meeting. During the work session, the CBHE and MDHE personnel review and discuss information related to issues on the agenda for the subsequent public meeting. According to MDHE personnel, no CBHE voting or official decisions are made in the work sessions. The work sessions are open to the public.

The work sessions constitute a public meeting and therefore minutes must be maintained. Section 610.010.5, RSMo, defines a public meeting as any meeting of a public governmental body at which any public business is discussed, decided, or public policy formulated. Section 610.020.7, RSMo, requires minutes be kept of public meetings.

4.2 Closed Meetings

The CBHE held closed meetings on June 10, 2013, and September 5, 2013, during which some of the requirements of Chapter 610, RSMo, regarding closed session meetings were not followed. Minutes for 1 of the 2 closed sessions were not maintained. In addition, the public minutes did not contain required documentation regarding the closed sessions including the reason for entering closed session, roll call votes to enter and exit closed session, and the results of the closed session.

Section 610.020.7, RSMo, requires public governmental entities to maintain minutes of closed minutes. In addition, public governmental entities are required by Section 610.022, RSMo, to document the reasons, roll call votes, and results of the closed meeting in public minutes.



Department of Higher Education
Management Advisory Report - State Auditor's Findings

Recommendations

The MDHE:

- 4.1 Maintain minutes for CBHE work sessions.
- 4.2 Ensure closed session minutes are maintained for all closed meetings. In addition, ensure all reasons, roll call votes, and results of the closed meetings are documented in the open minutes.

Auditee's Response

We agree.

Department of Higher Education

Organization and Statistical Information

The Omnibus State Reorganization Act of 1974 abolished the Commission on Higher Education and the Division of Higher Education of the Department of Education and created the Missouri Department of Higher Education (MDHE), headed by a nine-member Coordinating Board for Higher Education (CBHE).

As of June 30, 2015, the CBHE consisted of the following members:

Member	Term Expires
Betty Sims, Chair	June 2016
Brian Fogle, Vice Chair	June 2016
Carolyn Mahoney, Secretary	June 2018
Dalton Wright, Member	June 2016
Doug Kennedy, Member	June 2016
Vacant	
Vacant	
Vacant	
Vacant	

The CBHE members serve without compensation but are reimbursed for expenses. The nine members of the CBHE, one from each congressional district, are appointed to 6-year terms by the Governor and confirmed by the Senate. In addition, no more than five of the nine members may be affiliated with the same political party.

The MDHE's functions include identification of statewide needs for higher education, statewide planning for higher education, evaluation of student and institutional performance, review of institutional missions, development of effective and economical specialization among institutions, and administration of a performance funding program awarded to public community colleges and universities based on meeting established objectives. The functions also include submission of a unified budget request for public higher education to the Governor and the Missouri General Assembly, administration of a statewide postsecondary technical education program, approval of new degree programs offered at public colleges and universities, setting policy for student financial assistance programs, and administration of the Proprietary School Certification Program. The MDHE's planning activities include the state's independent institutions as well as the public institutions. In addition, the MDHE has statutory responsibility for the administration of several state student financial assistance programs and is the state's designated guaranty agency for the Missouri Student Loan Program, which administers the Federal Family Education Loan Program.

The commissioner of higher education is appointed by the CBHE and serves as its chief executive officer in carrying out the goals and administrative



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Organization and Statistical Information

responsibilities for the state system of higher education, with 13 public 4-year universities, 20 public 2-year community college campuses, 1 public 2-year technical college, 26 independent colleges and universities, and more than 150 proprietary and private career schools serving more than 450,000 students. Dr. David Russell served as the Commissioner from July 2010 until his retirement effective March 1, 2016. Effective March 1, 2016, Leroy Wade was appointed Interim Commissioner of Higher Education.

At June 30, 2015, the MDHE had approximately 57 employees.

Appendix A-1

Department of Higher Education
 Combined Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Changes in Cash and Investments
 Year Ended June 30, 2015

	Department of Higher Education Fund	Marguerite Ross Barnett Scholarship Fund	Department of Higher Education Out-of-State Program Fund	Quality Improvement Revolving Fund	Proprietary School Certification Fund	Access Missouri Financial Assistance Fund	Academic Scholarship Fund
RECEIPTS							
Other fees	\$ 0	0	55,850	0	332,093	0	0
U.S. Department of Education	1,139,706	0	0	0	0	0	0
Other government entity donations	0	0	0	0	0	50,000	0
Private donations	0	0	0	0	0	0	0
Loan repayment	0	0	0	0	0	0	0
Interest	0	0	0	0	0	53,066	0
Refunds	2,500	27,246	0	0	0	781,686	105,886
Rebates	57	0	0	0	5	0	0
Cost reimbursement	0	0	0	10,000	0	0	0
Other miscellaneous receipts	0	0	1,500	14,050	0	0	0
Settlements	0	0	0	0	0	0	0
Total receipts	<u>1,142,263</u>	<u>27,246</u>	<u>57,350</u>	<u>24,050</u>	<u>332,098</u>	<u>884,752</u>	<u>105,886</u>
DISBURSEMENTS							
Personal service	31,922	0	8,291	0	181,483	0	0
Employee fringe benefits	14,711	0	4,366	0	85,321	0	0
Expense and equipment	54,989	0	0	19,080	11,438	0	0
Program distributions	1,031,186	409,454	15,350	0	0	59,933,326	18,065,000
Interagency disbursements	664	0	0	0	7,394	0	0
Cost allocation plan	0	0	0	0	872	879	0
Total disbursements	<u>1,133,472</u>	<u>409,454</u>	<u>28,007</u>	<u>19,080</u>	<u>286,508</u>	<u>59,934,205</u>	<u>18,065,000</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>8,791</u>	<u>(382,208)</u>	<u>29,343</u>	<u>4,970</u>	<u>45,590</u>	<u>(59,049,453)</u>	<u>(17,959,114)</u>
OTHER FINANCING SOURCES (USES)							
Transfers to:							
General Revenue Fund	0	0	0	(37,931)	0	0	0
Access Missouri Financial Assistance Fund	0	0	0	0	0	0	0
Academic Scholarship Fund	0	0	0	0	0	0	0
Institution Gift Trust	0	0	0	(15,000)	0	0	0
Transfers from:							
General Revenue Fund	0	352,474	0	0	0	54,965,671	19,086,366
Gaming Proceeds for Education Fund	0	0	0	0	0	5,000,000	0
Lottery Proceeds Fund	0	0	0	0	0	11,559,167	0
Quality Improvement Revolving Fund	0	0	0	0	0	0	0
Workers' Compensation Fund	0	0	0	0	0	0	0
Advantage Missouri Trust Fund	0	0	0	0	0	50,000	0
Federal Student Loan Reserve Fund	0	0	0	0	0	0	0
Institution Gift Trust Fund	0	0	0	0	0	0	1,000,000
Total Financing Sources (Uses)	<u>0</u>	<u>352,474</u>	<u>0</u>	<u>(52,931)</u>	<u>0</u>	<u>71,574,838</u>	<u>20,086,366</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING SOURCES (USES)	<u>8,791</u>	<u>(29,734)</u>	<u>29,343</u>	<u>(47,961)</u>	<u>45,590</u>	<u>12,525,385</u>	<u>2,127,252</u>
CASH AND INVESTMENTS, JULY 1, 2014	104,058	62,623	9,000	128,414	222,579	3,812,733	3,198,354
CASH AND INVESTMENTS, JUNE 30, 2015	<u>\$ 112,849</u>	<u>32,889</u>	<u>38,343</u>	<u>80,453</u>	<u>268,169</u>	<u>16,338,118</u>	<u>5,325,606</u>

Appendix A-1

Department of Higher Education
 Combined Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Changes in Cash and Investments
 Year Ended June 30, 2015

	Advantage Missouri Trust Fund	Kids' Chance Scholarship Fund	Guaranty Agency Operating Fund	Institution Gift Trust Fund	A + Schools Fund	Advanced Placement Incentive Grant Fund	Total (Memorandum Only)
RECEIPTS							
Other fees	\$ 0	0	0	0	0	0	387,943
U.S. Department of Education	0	0	4,125,941	0	0	0	5,265,647
Other government entity donations	0	0	0	1,000,000	0	0	1,050,000
Private donations	0	0	0	66,249	0	0	66,249
Loan repayment	12,013	0	0	0	0	0	12,013
Interest	0	3,907	215,404	0	0	0	272,377
Refunds	0	0	339	0	783,472	0	1,701,129
Rebates	0	0	383	74	0	0	519
Cost reimbursement	0	0	4,461	0	0	0	14,461
Other miscellaneous receipts	0	0	0	0	0	0	15,550
Settlements	0	0	582	0	0	0	582
Total receipts	<u>12,013</u>	<u>3,907</u>	<u>4,347,110</u>	<u>1,066,323</u>	<u>783,472</u>	<u>0</u>	<u>8,786,470</u>
DISBURSEMENTS							
Personal service	0	0	2,168,847	20,168	0	0	2,410,711
Employee fringe benefits	0	0	995,909	10,375	0	0	1,110,682
Expense and equipment	0	0	9,067,591	75,971	0	0	9,229,069
Program distributions	0	9,000	778,962	48,500	33,564,303	10,500	113,865,581
Interagency disbursements	0	0	407,614	5,962	0	0	421,634
Cost allocation plan	0	0	0	0	0	0	1,751
Total disbursements	<u>0</u>	<u>9,000</u>	<u>13,418,923</u>	<u>160,976</u>	<u>33,564,303</u>	<u>10,500</u>	<u>127,039,428</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>12,013</u>	<u>(5,093)</u>	<u>(9,071,813)</u>	<u>905,347</u>	<u>(32,780,831)</u>	<u>(10,500)</u>	<u>(118,252,958)</u>
OTHER FINANCING SOURCES (USES)							
Transfers to:							
General Revenue Fund	0	0	0	0	0	0	(37,931)
Access Missouri Financial Assistance Fund	(50,000)	0	0	0	0	0	(50,000)
Academic Scholarship Fund	0	0	0	(1,000,000)	0	0	(1,000,000)
Institution Gift Trust	0	0	0	0	0	0	(15,000)
Transfers from:							
General Revenue Fund	0	0	0	0	11,110,262	0	85,514,773
Gaming Proceeds for Education Fund	0	0	0	0	0	0	5,000,000
Lottery Proceeds Fund	0	0	0	0	21,009,665	0	32,568,832
Quality Improvement Revolving Fund	0	0	0	15,000	0	0	15,000
Workers' Compensation Fund	0	50,000	0	0	0	0	50,000
Advantage Missouri Trust Fund	0	0	0	0	0	0	50,000
Federal Student Loan Reserve Fund	0	0	18,136,206	0	0	0	18,136,206
Institution Gift Trust Fund	0	0	0	0	0	0	1,000,000
Total Financing Sources (Uses)	<u>(50,000)</u>	<u>50,000</u>	<u>18,136,206</u>	<u>(985,000)</u>	<u>32,119,927</u>	<u>0</u>	<u>141,231,880</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING SOURCES (USES)	<u>(37,987)</u>	<u>44,907</u>	<u>9,064,393</u>	<u>(79,653)</u>	<u>(660,904)</u>	<u>(10,500)</u>	<u>22,978,922</u>
CASH AND INVESTMENTS, JULY 1, 2014	<u>120,089</u>	<u>775,504</u>	<u>38,826,732</u>	<u>150,918</u>	<u>2,234,296</u>	<u>37,000</u>	<u>49,682,300</u>
CASH AND INVESTMENTS, JUNE 30, 2015	<u>\$ 82,102</u>	<u>820,411</u>	<u>47,891,125</u>	<u>71,265</u>	<u>1,573,392</u>	<u>26,500</u>	<u>72,661,222</u>

Appendix A-2

Department of Higher Education
 Combined Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Changes in Cash and Investments
 Year Ended June 30, 2014

	Department of Higher Education Fund	Marguerite Ross Barnett Scholarship Fund	Department of Higher Education Out-of-State Program Fund	Quality Improvement Revolving Fund	Proprietary School Certification Fund	Access Missouri Financial Assistance Fund	Academic Scholarship Fund
RECEIPTS							
Other fees	\$ 0	0	0	0	382,589	0	0
U.S. Department of Education	2,921,436	0	0	0	0	0	0
Other government entity donations	0	0	0	0	0	50,000	0
Private donations	0	0	0	0	0	0	0
Loan repayment	0	0	0	0	0	0	0
Interest	0	0	0	0	0	69,305	0
Refunds	13,559	13,767	0	0	0	1,380,159	56,672
Rebates	125	0	0	20,308	13	0	0
Interagency receipts	235,439	0	0	0	0	0	0
Cost reimbursement	0	0	0	17,204	0	0	0
Other miscellaneous receipts	0	0	24,350	34,040	0	0	0
Total receipts	<u>3,170,559</u>	<u>13,767</u>	<u>24,350</u>	<u>71,552</u>	<u>382,602</u>	<u>1,499,464</u>	<u>56,672</u>
DISBURSEMENTS							
Personal service	392,552	0	0	0	163,197	0	0
Employee fringe benefits	183,530	0	0	0	76,027	0	0
Expense and equipment	132,061	0	0	15,470	10,462	0	0
Program distributions	2,386,229	393,533	15,350	3,659	512	60,664,771	14,587,000
Interagency disbursements	0	0	0	0	0	0	0
Cost allocation plan	0	0	0	2,717	0	0	0
Total disbursements	<u>3,094,372</u>	<u>393,533</u>	<u>15,350</u>	<u>21,846</u>	<u>250,198</u>	<u>60,664,771</u>	<u>14,587,000</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	<u>76,187</u>	<u>(379,766)</u>	<u>9,000</u>	<u>49,706</u>	<u>132,404</u>	<u>(59,165,307)</u>	<u>(14,530,328)</u>
OTHER FINANCING SOURCES (USES)							
Transfers to:							
A+ Schools Fund	0	0	0	0	0	0	0
Transfers from:							
General Revenue Fund	0	352,474	0	0	0	40,415,671	14,236,366
Gaming Proceeds for Education Fund	0	0	0	0	0	5,000,000	0
Lottery Proceeds Fund	0	0	0	0	0	11,559,167	0
Workers' Compensation Fund	0	0	0	0	0	0	0
Guaranty Agency Operating Fund	0	0	0	0	0	0	0
Federal Student Loan Reserve Fund	0	0	0	0	0	0	0
Total Financing Sources (Uses)	<u>0</u>	<u>352,474</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>56,974,838</u>	<u>14,236,366</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING SOURCES (USES)	76,187	(27,292)	9,000	49,706	132,404	(2,190,469)	(293,962)
CASH AND INVESTMENTS, JULY 1, 2013	27,871	89,915	0	78,708	90,175	6,003,202	3,492,316
CASH AND INVESTMENTS, JUNE 30, 2014	<u>\$ 104,058</u>	<u>62,623</u>	<u>9,000</u>	<u>128,414</u>	<u>222,579</u>	<u>3,812,733</u>	<u>3,198,354</u>

Appendix A-2

Department of Higher Education
 Combined Statement of Receipts, Disbursements, Other Financing Sources (Uses), and Changes in Cash and Investments
 Year Ended June 30, 2014

	Advantage Missouri Trust Fund	Kids' Chance Scholarship Fund	Guaranty Agency Operating Fund	Institution Gift Trust Fund	A + Schools Fund	Advanced Placement Incentive Grant Fund	Total (Memorandum Only)
RECEIPTS							
Other fees	\$ 0	0	0	0	0	0	382,589
U.S. Department of Education	0	0	6,631,940	0	0	0	9,553,376
Other government entity donations	0	0	0	0	0	0	50,000
Private donations	0	0	0	171,160	0	0	171,160
Loan repayment	25,610	0	0	0	0	0	25,610
Interest	0	4,171	203,419	0	0	0	276,895
Refunds	0	0	383	7,155	135,200	0	1,606,895
Rebates	0	0	472	0	0	0	20,918
Interagency receipts	0	0	0	0	0	0	235,439
Cost reimbursement	0	0	6,630	0	0	0	23,834
Other miscellaneous receipts	0	0	0	0	0	0	58,390
Total receipts	25,610	4,171	6,842,844	178,315	135,200	0	12,405,106
DISBURSEMENTS							
Personal service	0	0	1,776,029	24,970	0	0	2,356,748
Employee fringe benefits	0	0	814,703	12,591	0	0	1,086,851
Expense and equipment	0	0	9,286,293	112,788	0	0	9,557,074
Program distributions	2,622	11,250	991,582	250,742	32,248,623	17,000	111,572,873
Interagency disbursements	0	0	0	1,240	0	0	1,240
Cost allocation plan	0	0	0	0	0	0	2,717
Total disbursements	2,622	11,250	12,868,607	402,331	32,248,623	17,000	124,577,503
RECEIPTS OVER (UNDER) DISBURSEMENTS	22,988	(7,079)	(6,025,763)	(224,016)	(32,113,423)	(17,000)	(112,172,397)
OTHER FINANCING SOURCES (USES)							
Transfers to:							
A+ Schools Fund	0	0	(4,000,000)	0	0	0	(4,000,000)
Transfers from:							
General Revenue Fund	0	0	0	0	4,611,262	0	59,615,773
Gaming Proceeds for Education Fund	0	0	0	0	0	0	5,000,000
Lottery Proceeds Fund	0	0	0	0	21,009,665	0	32,568,832
Workers' Compensation Fund	0	50,000	0	0	0	0	50,000
Guaranty Agency Operating Fund	0	0	0	0	4,000,000	0	4,000,000
Federal Student Loan Reserve Fund	0	0	13,936,395	0	0	0	13,936,395
Total Financing Sources (Uses)	0	50,000	9,936,395	0	29,620,927	0	111,171,000
RECEIPTS OVER (UNDER) DISBURSEMENTS AND OTHER FINANCING SOURCES (USES)	22,988	42,921	3,910,632	(224,016)	(2,492,496)	(17,000)	(1,001,397)
CASH AND INVESTMENTS, JULY 1, 2013	97,101	732,583	34,916,100	374,934	4,726,792	54,000	50,683,697
CASH AND INVESTMENTS, JUNE 30, 2014	\$ 120,089	775,504	38,826,732	150,918	2,234,296	37,000	49,682,300

Appendix B

Department of Higher Education
 Comparative Statement of Appropriations and Expenditures
 Two Years Ended June 30, 2015

	Year Ended June 30,					
	2015			2014		
	Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances
GENERAL REVENUE FUND						
Personal Services	\$ 356,323	345,408	10,915	359,367	306,362	53,005
Midwest Higher Education Commission Expense and Equipment	95,000	95,000	0	95,000	95,000	0
Grant & Scholarship Administration Expense and Equipment	151,453	147,134	4,319	145,615	125,162	20,453
Grant & Scholarship Administration Personal Services	30,175	25,147	5,028	30,204	4,602	25,602
Vietnam Veteran Survivor Grant	116,461	112,663	3,798	115,217	109,463	5,754
Wartime Veteran's Survivor Grant	50,000	31,139	18,861	50,000	18,361	31,639
Minority and Environmental Literacy Program	241,250	141,941	99,309	250,250	191,682	58,568
Department of Higher Education State Owned	32,964	30,088	2,876	32,964	31,973	991
Public Service Grant Program	112,330	108,163	4,167	121,183	121,183	0
Total General Revenue Fund	140,000	86,641	53,359	131,000	84,151	46,849
	1,325,956	1,123,324	202,632	1,330,800	1,087,939	242,861
DEPARTMENT OF HIGHER EDUCATION FUND						
Improving Teacher Quality Grant Personal Services	37,841	31,922	5,919	53,436	36,999	16,437
Improving Teacher Quality Grant Expense and Equipment	6,000	6,000	0	10,000	8,172	1,828
Coordination Administration Expense and Equipment	0	0	0	45,354	11,737	33,617
Coordination Administration Personal Services	0	0	0	235,439	180,139	55,300
Improving Teacher Quality Grant	1,739,954	878,977	860,977	1,719,936	1,013,084	706,852
Access Challenge Grant Personal Services	0	0	0	370,000	175,414	194,586
Access Challenge Grant Expense and Equipment	259,306	48,293	211,013	259,306	112,152	147,154
Access Challenge Grant	2,740,694	150,634	2,590,060	2,370,694	1,373,145	997,549
Federal Grants/Donations Expense and Equipment	999,000	0	999,000	999,000	0	999,000
Federal Grants/Donations	1,000	0	1,000	1,000	0	1,000
Total Department of Higher Education Fund	5,783,795	1,115,826	4,667,969	6,064,165	2,910,842	3,153,323
MARGUERITE ROSS BARNETT SCHOLARSHIP FUND						
Marguerite Ross Barnett Scholarship	500,000	409,454	90,546	500,000	393,533	106,467
Total Marguerite Ross Barnett Scholarship Fund	500,000	409,454	90,546	500,000	393,533	106,467
LOTTERY PROCEEDS FUND						
Minority Teaching Scholarships	169,000	163,687	5,313	169,000	160,342	8,658
Total Lottery Proceeds Fund	169,000	163,687	5,313	169,000	160,342	8,658
DEPARTMENT OF HIGHER EDUCATION OUT-OF-STATE PROGRAM FUND						
Coordination Administration Personal Service	37,672	8,291	29,381	0	0	0
Coordination Administration Expense and Equipment	16,850	15,350	1,500	56,556	15,350	41,206
Total Department of Higher Education Out-Of-State Program Fund	54,522	23,641	30,881	56,556	15,350	41,206
QUALITY IMPROVEMENT REVOLVING FUND						
Quality Improvement Revolving Expense and Equipment	166,869	19,080	147,789	166,869	19,129	147,740
Total Quality Improvement Revolving Fund	166,869	19,080	147,789	166,869	19,129	147,740
BOARD OF NURSING FUND						
State Nursing Board Grants	0	0	0	1,000,000	1,000,000	0
Total Board of Nursing Fund	0	0	0	1,000,000	1,000,000	0
PROPRIETARY SCHOOL CERTIFICATION FUND						
Proprietary School Administration Personal Services	190,760	181,299	9,461	188,889	163,197	25,692
Proprietary School Administration Expense and Equipment	112,148	12,477	99,671	115,708	10,462	105,246
Total Proprietary School Certification Fund	302,908	193,776	109,132	304,597	173,659	130,938

Appendix B

Department of Higher Education
 Comparative Statement of Appropriations and Expenditures
 Two Years Ended June 30, 2015

	Year Ended June 30,					
	2015			2014		
	Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances
GEAR-UP SCHOLARSHIP FUND						
Gear-Up Scholarships	0	0	0	100,000	0	100,000
Total Gear-Up Scholarship Fund	0	0	0	100,000	0	100,000
DEBT OFFSET ESCROW FUND						
Loan Program Refund Offset	750,000	591,646	158,354	750,000	522,508	227,492
Total Debt Offset Escrow Fund	750,000	591,646	158,354	750,000	522,508	227,492
PROPRIETARY SCHOOL BOND FUND						
Proprietary School Bond	200,000	0	200,000	200,000	0	200,000
Total Proprietary School Bond Fund	200,000	0	200,000	200,000	0	200,000
ACCESS MISSOURI FINANCIAL ASSISTANCE FUND						
Access Missouri Grants	78,500,000	59,933,326	18,566,674	67,000,000	60,664,771	6,335,229
Total Access Missouri Financial Assistance Fund	78,500,000	59,933,326	18,566,674	67,000,000	60,664,771	6,335,229
ACADEMIC SCHOLARSHIP FUND						
Academic Scholarship Program	15,676,666	15,675,500	1,166	15,676,666	14,587,000	1,089,666
Academic Scholarship Loan Forgiveness Program	7,000,000	2,389,500	4,610,500	0	0	0
Total Academic Scholarship Fund	22,676,666	18,065,000	4,611,666	15,676,666	14,587,000	1,089,666
ADVANTAGE MISSOURI TRUST FUND						
Advantage Missouri Program	15,000	0	15,000	15,000	2,622	12,378
Total Advantage Missouri Trust Fund	15,000	0	15,000	15,000	2,622	12,378
KIDS' CHANCE SCHOLARSHIP FUND						
Kids' Chance Scholarship	15,000	9,000	6,000	17,500	11,250	6,250
Total Kids' Chance Scholarship Fund	15,000	9,000	6,000	17,500	11,250	6,250
GUARANTY AGENCY OPERATING FUND						
Loan Program Administration Personal Service	2,260,118	1,618,085	642,033	2,236,779	1,445,889	790,890
Loan Program Administration Expense and Equipment	8,325,693	2,626,303	5,699,390	8,325,693	5,003,452	3,322,241
Federal Loan Compliance	500,000	2,280	497,720	500,000	61	499,939
Collection Invoicing	8,000,000	6,579,678	1,420,322	8,000,000	4,346,487	3,653,513
Loan Program Administration	890,000	775,236	114,764	890,000	751,859	138,141
Coordination Administration Personal Service	237,920	237,920	0	0	0	0
Coordination Administration Expense and Equipment	45,354	30,375	14,979	0	0	0
Total Guaranty Agency Operating Fund	20,259,085	11,869,877	8,389,208	19,952,472	11,547,748	8,404,724
INSTITUTION GIFT TRUST FUND						
Other Grants/Donations Personal Service	15,000	3,833	11,167	35,340	24,970	10,370
Other Grants/Donations Expense and Equipment	15,000	13,776	1,224	163,915	104,189	59,726
Other Grants/Donations	88,109	76,609	11,500	250,745	250,742	3
Lumina Foundation Grants Personal Service	16,335	16,335	0	0	0	0
Lumina Foundation Grants Expense and Equipment	83,665	29,463	54,202	0	0	0
Total Institution Gift Trust Fund	218,109	140,016	78,093	450,000	379,901	70,099
A+ SCHOOLS FUND						
A+ Schools Program	35,000,000	33,564,303	1,435,697	35,000,000	32,248,624	2,751,376
Total A+ Schools Fund	35,000,000	33,564,303	1,435,697	35,000,000	32,248,624	2,751,376

Appendix B

Department of Higher Education
 Comparative Statement of Appropriations and Expenditures
 Two Years Ended June 30, 2015

	Year Ended June 30,					
	2015			2014		
	Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances
ADVANCED PLACEMENT INCENTIVE GRANT FUND						
Advanced Placement Incentive Grants	100,000	10,500	89,500	100,000	17,000	83,000
Total Advanced Placement Incentive Grant Fund	100,000	10,500	89,500	100,000	17,000	83,000
Total All Funds	\$ 166,036,910	127,232,456	38,804,454	148,853,625	125,742,218	23,111,407

The lapsed balances include the following withholdings made at the Governor's request:

	Year Ended June 30,	
	2015	2014
General Revenue Fund		
Personal Service	\$ 10,915	10,781
Expense and Equipment	4,319	4,368
Grant & Scholarship Administration Expense and Equipm	905	906
Grant & Scholarship Administration Personal Service	3,494	3,457
Vietnam Veteran Survivor Grant	1,500	1,500
Wartime Veteran's Survivor Grant	7,238	7,508
Minority Teaching Scholarship	5,070	5,070
Minority and Environmental Literacy Program	989	989
Department of Higher Education State Owned	3,370	0
Public Service Grant Program	4,200	3,930
Total General Revenue Fund	\$ 42,000	38,509

Note 1: This schedule excludes appropriations to colleges and universities and appropriations to the Department of Higher Education for distribution to community colleges as those appropriations were not part of this review. Also, this schedule does not include appropriations from the Federal Student Loan Reserve Fund because those appropriations were reviewed in a different audit.

Note 2: For the year ended June 30, 2015, the Governor's Office released withholdings on May 6, 2015, totaling \$11 million and \$4 million for appropriations from the Access Missouri Financial Assistance and Academic Scholarship Funds, respectively.

Appendix C

Department of Higher Education
 Comparative Statement of Expenditures (From Appropriations)

	Year Ended June 30,				
	2015	2014	2013	2012	2011
Salaries	\$ 2,555,757	2,442,433	2,652,093	2,579,126	2,719,624
Travel, in-state	59,446	36,032	55,082	44,978	47,672
Travel, out-of-state	38,511	31,881	41,138	41,780	33,113
Fuel and utilities	0	0	0	0	3,288
Supplies	106,695	73,015	128,035	221,326	176,308
Professional development	185,235	177,250	189,717	141,474	184,523
Communication services and supplies	61,821	42,848	42,950	40,598	60,051
Services:					
Professional	9,097,845	9,168,006	9,101,131	8,990,746	7,888,174
Maintenance and repair	4,022	26,118	2,405	27,677	19,632
Equipment:					
Office	514	13,116	28,235	5,075	11,971
Computer	0	1,908	0	0	426
Other	39,247	4,020	0	26,587	1,734
Building lease payments	119,350	128,582	123,527	132,300	26,045
Equipment rental and leases	965	1,014	3,846	1,838	506
Miscellaneous expenses	28,411	18,299	29,805	16,145	19,216
Refunds	619,939	525,669	606,540	581,716	685,033
Program distributions	<u>114,314,698</u>	<u>113,052,027</u>	<u>110,611,507</u>	<u>103,128,987</u>	<u>95,741,137</u>
Total Expenditures	\$ <u><u>127,232,456</u></u>	<u><u>125,742,218</u></u>	<u><u>123,616,011</u></u>	<u><u>115,980,353</u></u>	<u><u>107,618,453</u></u>

Appendix D

Department of Higher Education
 Comparative Statement of Expenditures for Student Financial Assistance Programs

	Year Ended June 30,			
	2015		2014	
	Amount	Number of Students	Amount	Number of Students
Higher Education Academic Scholarship (Bright Flight)	\$ 18,065,000	6,283	\$ 14,587,000	6,089
Access Missouri Grant	59,933,326	51,367	60,644,771	52,826
A+ Scholarship	33,564,303	13,142	32,248,624	12,853
Marguerite Ross Barnett Scholarship	409,454	280	393,533	280
Advanced Placement Incentive Grant	10,500	21	17,000	34
Public Service Officer Survivor Grant	86,641	14	84,151	17
Vietnam Veteran Survivor Grant	31,139	3	18,361	4
Wartime Veteran's Survivor Grant	141,941	9	191,682	7
Minority Teaching Scholarship	163,687	388	160,342	384
Kid's Chance Scholarship	9,000	3	11,250	5
Minority and Underrepresented Environmental Literacy Scholarship	30,088	9	31,973	11
Total Student Financial Assistance Programs	\$ 112,445,079	71,519	\$ 108,388,687	72,510