



# Massachusetts Board of Higher Education

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## Student Financial Assistance Attestation Guide

### Massachusetts Office of Student Financial Assistance

**Sixth Edition - July 2025**

Massachusetts Office of Student Financial Assistance  
Compliance Attestation Division  
135 Santilli Highway  
Everett, Massachusetts 02149  
617-391-6070

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# INTRODUCTION AND BACKGROUND

## Background Review Requirement

### Purpose of the Guide

This *Guide* has been prepared to assist independent auditors in performing compliance reviews of Massachusetts Student Financial Assistance programs. This revised *Guide* is effective for OSFA compliance reviews (attestation engagements) for fiscal years **beginning on or after** July 1st, 2024.

The Massachusetts OSFA requires compliance review reports for all institutions that participate in the programs within this guide.<sup>1</sup>

The OSFA requires that these program compliance reviews be performed in accordance with the standards for audits of the U.S. General Accounting Office's *Government Auditing Standards* (2024 Revision) (effective for attestation engagements for periods ending on or after December 15, 2025) issued by the Comptroller General of the United States. These standards, also referred to as the "[Yellow Book](#)", relate to audits of government organizations, programs, activities, functions, and of government funds received by contractors, nonprofit organizations. The standards incorporate the [AICPA](#) Statements on Auditing Standards for fieldwork and reporting, and prescribe the additional standards needed to meet the more varied interests of users, of reports on governmental audits.

These standards are available from the U.S. Government Accountability Office ([GAO](#)) website at [www.gao.gov/yellowbook](http://www.gao.gov/yellowbook)

### Compliance Review Requirement

The Massachusetts OSFA has responsibility to provide oversight for all post-secondary institutions that participate in the Massachusetts student financial aid programs. OSFA's oversight role requires that it develop adequate safeguards to ensure that participating institutions are accountable for the proper administration and disbursement of state funds. Traditionally, OSFA had relied upon the auditor's examination of Federal programs as adequate to infer administrative compliance with the requirements of the state financial aid programs. This *Guide* has been developed to provide clarification regarding the specific policies and procedures that auditors should follow when performing compliance reviews of these state-sponsored programs. The *Guide* should be used by independent auditors as an aid in determining institutional compliance with the applicable laws and regulations of the Commonwealth of Massachusetts.

### Relationship to Federal Audit Requirements

To participate in the state assistance programs administered by the Commonwealth of Massachusetts, institutions must be eligible to participate in the Title IV student financial assistance programs administered by the U.S. Department of Education. Federal audit

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<sup>1</sup> Although M.G.L. c.15A s. 9B, 16, 19, 19D, M.G.L. c.15D, s. 5, and M.G.L. c. 29 s 2UUU primarily addresses public institutions and community colleges, OSFA mandates that ALL institutions comply with these guidelines.

requirements specify that participating institutions must annually submit a compliance audit of their administration of the federal student financial aid programs. **Beginning in fiscal year 2012, the Massachusetts Community Colleges, the State Universities and the University of Massachusetts campuses were required to have a separate Uniform Guidance Audit performed for their institutions. Effective with year endings beginning on or after October 1, 2024, any Massachusetts Community Colleges and State Universities spending over \$1,000,000 in federal funds must submit their annual Uniform Guidance Audit report to the Massachusetts OSFA. Prior to September 30, 2025, the threshold remains at \$750,000.** Therefore, with the issuance of this version of the *Guide*, this audit requirement is satisfied by a Single Audit of the institution under the guidelines established in the 2 CFR Part 200<sup>2</sup>. **This program review *Guide* extends the Federal compliance requirement to all institutions that participate in the student financial assistance programs administered by the Massachusetts OSFA.** The Massachusetts OSFA has developed this Guide to assist independent auditors in understanding the required management assertions, compliance requirements and suggested procedures necessary to perform a program specific review of the Massachusetts student financial assistance programs.

## **Massachusetts State Financial Aid Programs Compliance Attestation Report Frequency**

Effective with fiscal years that begin after **May 31, 2012**, **ALL** institutions that administer Massachusetts State financial aid programs funds are required to submit a Compliance Attestation Report specific of Massachusetts State financial aid programs on a **third-year rotation basis**, **EXCEPT** those that meet any one (1) of the following three (3) conditions that are required to submit annually:

- Institutions that submitted Compliance Attestation Reports for the prior fiscal year that reported cases of questioned costs (**i.e. there is no materiality threshold for reporting of questions costs**) that, in the aggregate, total **\$10,000** or more.
- Institutions that, in prior internal or external reports (i.e. Uniform Guidance Audit, State of Federally conducted program reviews, etc.) had significant deficiencies or material weaknesses as defined by Statement **AU-C Section 265**, **“Communicating Internal Control Related Matters Identified in an Audit”**. **While this condition may alter an institution’s reporting frequency from three (3) years to one (1) year, it does not automatically necessitate a rotation change; such decisions are at the discretion of OSFA.**
- Institutions identified by the Massachusetts OSFA as having specific conditions that can result in the improper administration of Massachusetts State financial aid programs.

In all instances, the Massachusetts OSFA reserves the option of requesting institutions or agents acting on OSFA’s behalf to perform a compliance attestation-level review of Massachusetts State financial aid programs at the institution for specific audit year(s), as

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<sup>2</sup> Although 2 CFR Part 200 primarily addresses public institutions and community colleges, OSFA mandates that ALL institutions comply with these guidelines.

appropriate.

**Institutions eligible to submit a Compliance Attestation Report for Massachusetts State Financial aid programs on a third-year rotation basis must still submit electronic copies of internal or external reports, and/or program reviews (such as Uniform Guidance Audit, State or Federally conducted program reviews) during rotation years when the specific report is not required by the Massachusetts OSFA. Copies of those internal or external reports, and/or program reviews must be submitted within thirty (30) days of being available to the institutions.**

Each fiscal year, the Massachusetts OSFA will notify, in writing, each institution that administers State financial aid funds of its reporting requirements vis-à-vis those State financial aid programs.

## **Objectives**

The OSFA compliance attestation objectives are:

- To determine and report whether the institution's management's assertions relative to compliance with specific compliance requirements in this *Guide* are fairly stated in all material respects (institutional eligibility and student eligibility, disbursements, reporting and refunds).
- To assist OSFA in meeting its responsibilities by addressing instances of material noncompliance and internal control weakness and providing adequate information for OSFA to use to initiate action.

This *Guide* requires an examination-level attestation engagement relative to the institution's management's assertions about certain compliance aspects related to OSFA program participation. Therefore, in addition to applicable standards contained in the *Government Auditing Standards*, the Statements on the Standards for Attestation Engagements (SSAE) No. 18, Attestation Standards: Revisions and Codification, issued by the American institute of Certified Public Accountants (AICPA) also applies.

This *Guide* is intended to be used by **ALL** institutions that administer Massachusetts OSFA funds, **EXCEPT**:

- Institutions of higher education that expend a total amount of Massachusetts State financial assistance program funds equal to, or less than \$25,000, or such other amount specified by the Commissioner of the Department of Higher Education for the Commonwealth of Massachusetts in any fiscal year.
- Institutions located in a state other than Massachusetts, and which do not provide programs within Massachusetts to recipients of Massachusetts OSFA funds.

## **Disclaimer**

This *Guide* is not intended to be a complete manual of procedure, nor is it intended to supplant the independent auditor's judgment of the work required. Suggested procedures described may not cover all circumstances or conditions encountered at a particular institution. The independent auditor should use professional judgment and due care to

tailor the procedures so that the compliance attestation engagement objectives are achieved. However, the independent auditor must address all applicable management assertions in this *Guide*.

In performing compliance reviews of Massachusetts State Financial Assistance Programs, the independent auditor shall have available, in addition to this *OSFA Student Financial Assistance Attestation Guide*, a fiscal year specific copy of Massachusetts State Financial Assistance Programs Guidelines and Procedures, as well as any and all relevant "[Dear Colleague](#)" letters published by the U.S. Department of Education.

## Engagement Periods and Report Due Dates

The annual period to be reviewed coincides with the fiscal year end of the institution.

- Compliance is based on the institution's fiscal year and includes examining and reporting on the institution management's assertions about compliance with specified Massachusetts laws and regulations, in accordance with [SSAE](#) No. 18 and *Government Auditing Standards*.
- Compliance attestation reports are due six (6) months following the fiscal year end, unless otherwise agreed upon in writing by the Massachusetts OSFA.

## MAJOR CHANGES

In preparing this sixth edition of the Massachusetts Office of Student Financial Assistance Compliance Attestation Guide, the Massachusetts Office of Student Financial Assistance (OSFA) sought to incorporate changes as well document others that may have been implemented throughout the existence of the fifth edition. The updates are primarily in the following areas:

### 1. Requirements for Massachusetts State Universities and Community Colleges

Due to the [M.G.L.](#) c. 15A: Tuition Equity Law, **students of "High School Completer Status" are eligible for financial aid**. This status allows all students, including some non-US citizens such as undocumented students, to establish "residency" for state higher education benefits. This applies to in-state tuition at all Massachusetts public institutions and all state financial aid programs at public or private higher education institutions. If the independent auditor requires clarification, they should refer to the Tuition Equity Law for further information.

As of December 21, 2023, the **Federal Student Aid (FSA) requires institutions to have specific calculations related to their institutional and program eligibility** substantiated by an independent auditor on an award year basis. The Massachusetts Department of Higher Education requires all institutions that participate in Title IV to perform these specific calculations as well. Due to this, auditors will need to find the following:

- The percentage of correspondence courses the institution offers and the percentage of regular students that enroll in correspondence courses under 34 [CFR](#) 600.7(b) and

(g).

- The percentage of the institution's regular students that are incarcerated under 34 CFR 600.7(c) and (g).
- Completion rates for confined or incarcerated individuals enrolled in non-degree programs at nonprofit institutions under 34 CFR 600.7(c)(3)(ii) and (g).
- The percentage of the institution's regular students that lack a high school diploma or its equivalent under 34 CFR 600.7(d).
- Completion and placement rates for short-term programs under 34 CFR 668.8(f) and (g) 34 CFR 668.8(e)(2).

Effective as of the 2024-2025 academic year, Massachusetts **Community and State Colleges and Universities** were required to submit to [Massachusetts OSFA](#) a "Program Participation Agreement" to comply with federal regulations and laws governing the program they wish to participate in.

Effective as of the 2024-2025 academic year, [institutions](#) are required to adjust their financial aid processes to align with the new simplified A form. **The Student Aid Index (SAI) replaces the Expected Family Contribution (EFC) as the primary measure for assessing financial need**, and institutions must comply with this new calculation method for federal and state financial aid programs. Massachusetts OSFA mandates full compliance with the [FAFSA](#) Simplification Act regulations, requiring institutions to report any challenges encountered during implementation. Furthermore, institutions are obligated to update their compliance attestation documentation to reflect adherence to the new federal requirements.

Effective October 2024, the **Massachusetts Community and State Colleges and Universities that spend more than \$1,000,000 in federal funds** during a fiscal year are required to undergo a comprehensive audit of their financial statements and compliance with federal regulations related to those funds. Therefore, with the issuance of this version of the Guide, all Massachusetts **Community Colleges and State Universities that meets this threshold must submit a copy of their annual Uniform Guidance Audit** report to the [OSFA](#).

## 2. Financial Aid Programs

The Program Guideline section of the Audit Guide has been updated to reflect the following financial aid programs that have been implemented or whose guidelines have been modified, since the 2023 publication of the previous edition.

- Behavioral Health Workforce Scholarship
- Community College Nursing Scholarship
- Educator Loan Repayment Program
- Massachusetts In-Demand Scholarship Program
- MassEducate

- MassReconnect
- MASSGrant Plus
- MASSGrant Plus Expansion
- Support For Behavioral Health Field Placements Program
- Tomorrows Teachers Scholarship

### 3. Submission of Audit/Attestation Reports

Effective fiscal year 2025, **all** audit and/or attestation reports are to be electronically submitted to the Massachusetts Department of Higher Education; hard copies are no longer accepted. **This includes an additional report if the auditor detects evidence of fraud or illegal acts, to be submitted immediately to the [DHE](#) (within 30 days of detection).**

Institutions are directed to the link at the end of this paragraph to access the username and password protected Massachusetts Department of Education's Dropbox Central where the audit and/or attestation reports can be submitted. As a result of this new requirement, Massachusetts OSFA provides two (2) user accounts for the Massachusetts Department of Education's Dropbox Central to each institution. The financial aid and fiscal offices each receives one (1) account. Please go to the following link to access the Massachusetts Department of Education's Dropbox:

<https://gateway.edu.state.ma.us/>

## PLANNING AND OTHER CONSIDERATIONS

### Planning Considerations

#### Engagement Letter

An engagement letter between the institution and the independent auditor shall be prepared and must include the following:

- A statement that the compliance attestation engagement is to be performed in accordance with SSAE No. 18. Government Auditing standards, and this Guide.
- A description of the scope of the engagement and the related reporting that will meet the requirements of this Guide.
- A statement that both parties understand that OSFA intends to use the independent accountant's report to help carry out its oversight responsibilities with respect to the Massachusetts Student Financial Assistance programs.
- A provision that the independent auditor is required to provide OSFA, and their representatives' access to working papers (including making photocopies, as necessary). [The independent auditor should refer to AU-C Section 9230, "Interpretations of Section AU-C Section 230" of the AICPA Professional Standards for guidance.] For public institutions of higher education in the Commonwealth, the Office of the State Auditor has access to the working papers

under Chapter 11, Section 12 of the Massachusetts General Laws. The Office of the State Comptroller, in the course of the Commonwealth's audit, may request working papers from the institution.

## **Follow-up on Prior Review Findings**

The independent auditor should review prior year review findings, including previous auditor's reports and licensing agency reports. If there are no prior year's compliance review reports or findings, provide a statement to that effect.

## **Site Visits**

A substantial portion of an institution's records and processes may be at another location, yet enrollment/financial aid application processes and attendance monitoring are generally located at the institution. In order to obtain an understanding of the related internal control structure and to assess control risk, the processes that take place at the institution must be observed. Therefore, the independent auditor should perform all fieldwork procedures, walkthroughs, or other applicable tasks that require on-site presence during the site visit. There should be a visit to every location in the first year of an engagement. For a cyclical approach to be accepted, each location should be visited at least once every two (2) years.

Site visits are usually conducted during normal work hours. The auditor will work with the institution to minimize the impact of the audit on their schedule and operations.

### **Suggested Procedures**

- Contact the institution before the site visit to arrange a convenient time for the visit, typically at the institution's location or another agreed place.
- Conduct opening meetings with key institutional personnel to explain audit process, objectives, and schedule.
- Obtain and verify the accuracy and completeness of student financial records.
- Interview process owners to understand the processes and controls in place.
- Refer to the procedures outlined in the following sections for specific compliance testing: Institutional Eligibility, Student Eligibility, Reporting, Disbursements, and Refunds.

## **Corrective Action Plan**

OSFA requires an institution to submit an applicable Corrective Action Plan ([CAP](#)) on institutional letterhead as part of its compliance attestation report package. The CAP must include a statement of concurrence or non-concurrence with the independent auditor's findings, a description and planned date of the corrective action, and the name of the responsible official(s). In addition, the institution must comment on the status of corrective action taken on prior review findings by filling out the Summary Schedule of Prior Year Review Findings template found at the bottom of the guide. Compliance attestation reports submitted without an applicable CAP are incomplete and will be returned to the

institution.

Reference [Exhibit E](#) for the Summary Schedule of Prior Year Review Findings template and [Exhibit F](#) for CAP template.

## **Compliance Attestation Engagement**

CFR Part 200 defines a cluster of programs as a group of closely related financial aid programs that share common compliance requirements. The Massachusetts OSFA has adopted this definition for the Massachusetts State Financial Assistance programs. As a result, the state financial assistance programs should be considered as one (1) program for purposes of the attestation engagement.

The compliance attestation engagement must be performed as an examination level engagement in accordance with SSAE No. 18 and *Government Auditing Standards*. Management's written assertions are the basis for the independent auditor's testing and therefore are an integral part of the engagement. Such assertions normally should be obtained from management in a letter of representation to the independent auditor. The independent auditor should also obtain management's written representations as discussed in Section 205 Paragraph .51 of SSAE No. 18.

The institution is responsible for all assertions in this *Guide* even if the institution contracted with an outside provider to perform certain of the compliance activities covered by this *Guide*. Institutions shall maintain or have access to sufficient documentation to make the required assertions described in this *Guide*. Institutional eligibility, student eligibility, disbursements to students, reporting requirements and refund documentation originate at the institution. If necessary, documentation should be obtained from the outside provider so management can make the required assertions. Scope limitations because of management's refusal to provide the assertions required by this *Guide* may result in termination of the institution's participation agreement for non-compliance. SSAE No. 18 Section 205 Paragraph .51 discusses the independent auditor's responsibility when management refuses to furnish all appropriate written representations.

## **Consideration of Internal Control Structure over Compliance**

2 CFR Section 200.303 mandates that institutions receiving federal awards must establish and maintain effective internal controls. These controls should provide reasonable assurance that the institution is managing the federal awards in compliance with federal statutes, regulations, and the terms and conditions of the awards. These established internal controls should be in compliance with the "Standards for Internal Control in the Federal Government" (the Green Book) or the "Internal Control Integrated Framework" (revised in 2013) by COSO. Institutions must also clearly demonstrate the implementation of effective controls over state financial programs as mandated by OSFA.

The objectives of internal control over compliance as found in 2 CFR section 200.1, are as follows:

- Transactions are properly recorded and accounted for in order to:
  - Permit the preparation of reliable financial statements and federal reports;

- Maintain accountability over assets; and
- Demonstrate compliance with federal statutes, regulations, and the term and conditions of the federal award;
- Transactions are executed in compliance with:
  - Federal statutes, regulations, and the terms and conditions of the federal award that could have a direct and material effect on a federal program; and
  - Any other federal statutes and regulations that are identified in the Compliance Supplement; and
- Funds, property, and other assets are safeguarded against loss from unauthorized use or disposition

Additionally, 2 CFR Section 200.514 requires auditors to:

- Obtain an understanding of the institutions internal control over federal programs sufficient to plan the audit.
- Support a low assessed level of control risk of noncompliance for major programs.
- Plan the testing of internal control over major programs to support a low assessed level of control risk for the assertions relevant to the compliance requirements for each major program.
- Perform testing of internal control as planned, unless internal control is likely to be ineffective"

Overall guidance for the consideration of the internal control structure in an examination-level attestation engagement is provided in *Government of Auditing Standards*. Paragraph 8.40 of *Government Auditing Standards* states that the independent auditor should:

- Obtain a sufficient understanding of relevant portions of internal control that is material to the subject matter or assertion to plan the engagement and design procedures to achieve the objectives of the attestation engagement.
- Design and perform tests of controls to obtain an understanding of an institution's internal control based on amendments from SSAE No. 21 which focuses on Examination Engagements.
- Use the Statements on Standards 145 as an aid in designing compliance testing and risk assessments.
- Must document this understanding and their assessment of control risk.

In planning the engagement, the independent auditor should be aware that OSFA programs may be administered by more than one (1) organizational component within the institution and that each component may maintain a separate or different internal control structure, policies, or procedures for ensuring compliance.

## **Control Deficiencies, Significant Deficiencies, and Material**

## Weakness

During an examination-level attestation engagement, the independent auditor may become aware of control deficiencies, significant deficiencies or material weaknesses in the institution's internal control structure over compliance.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness yet important enough to merit attention by those charged with governance

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- Reasonably possible: The chance of the future event or events occurring is more than remote but less than likely.
- Probable: The future event or events are likely to occur.

The independent auditor's responsibility to communicate these deficiencies in an examination of management's assertion is similar to the independent auditor's responsibility described in AU-C Section 265. However, this *Guide* requires all communications of control deficiencies, significant deficiencies, and material weakness in the internal control structure over compliance to be in writing and requires the independent auditor to include a copy of such report(s) in the independent auditor's reporting package.

## Risk Level Determination

2 CFR 200.520 provides guidance on how an auditor should approach determining whether an institution should be considered a high-risk or low-risk auditee. To qualify as a low-risk auditee, an institution must meet the following criteria for each of the two (2) preceding audit periods:

- Single audits<sup>3</sup> were successfully completed on an annual basis
- Has received an unmodified auditor's opinion on its financial statements
- No internal control deficiencies were identified as material weaknesses
- The auditor did not report a substantial doubt about the auditee's ability to continue as a going concern
- None of the Programs had audit findings from any of the following in either of the

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<sup>3</sup> A Single Audit is distinct from an examination. Institutions that have only undergone examination(s) would not meet the criteria to be considered a low-risk auditee.

two (2) preceding audit periods that they were classified as Type A programs

- Internal control deficiencies that were identified as material weaknesses in the auditor's report on internal control for major programs
- A modified opinion on a major program
- Known or likely questioned costs exceeding 5% of total federal awards expended for a Type A program during that period

If an institution is determined to be a low-risk auditee, the auditor needs to audit at least 20% of the total State award disbursements and at least 20% of the total Federal award disbursements. If an institution does not qualify as a low-risk auditee, the institution should be considered a high-risk auditee. For high-risk institutions, the auditor must audit at least 40% of total State award disbursements and at least 40% of the total Federal award disbursements. Auditors should reference 2 CFR 200.518, 200.519 & 200.520 to determine both the risk of an auditee and its programs.

## **Materiality**

Section 320 Paragraph .19 of SSAE No. 18 provides guidance on the independent auditor's consideration of materiality as it relates to each separate management assertion about compliance. Materiality for purposes of compliance assertions differs from materiality for financial reporting purposes. Accordingly, materiality relates to each separate management assertion about compliance. The independent auditor should consider the materiality as 5% of the total disbursed amount for the specific program by the institution during the award year in question. This percentage-based approach accommodates the wide range of disbursement amounts across institutions, ensuring that both smaller and large disbursements are appropriately considered for audit requirements. Ultimately though, materiality requires professional judgment on the part of the auditor. Such judgments, however, should consider the minimum reporting requirements of noncompliance as established by this *Guide*.

## **Matters Requiring Immediate Attention**

### **Irregularities or Illegal Acts**

Professional standards require independent auditors to design and perform procedures to provide reasonable assurance of detecting significant illegal acts. Independent auditors should be aware of fraud or high-risk indicators, recognizing basic weaknesses in internal control and performing sufficient substantive tests.<sup>4</sup> The independent auditor should avoid performing review steps mechanically (auditing form over substance) and accepting explanation for review exceptions without question.

Authoritative guidance on detecting fraud and illegal acts is extensive. The auditor should be extremely well informed of the responsibility for accepting the engagement and the

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<sup>4</sup> Information for determining a high or low risk audit/auditee can be found within the "[Risk Level Determination](#)" section.

detection of errors, irregularities and illegal acts by clients. For supplemental guidance, see the *Government Auditing Standards* and AU-C Section 240 entitled, “Consideration of Fraud in a Financial Statement Audit.”

If indications of such acts are identified, the independent auditor should promptly conduct appropriate follow-up procedures, which may include engaging forensic specialists. A separate written report should be prepared and submitted in accordance with auditing standards to assess the size and seriousness of the situation. This report should be submitted electronically within 30 days of detection of the acts and within 30 days of the independent auditor completing the additional procedures. Please refer to [Compliance Attestation Reporting](#) for further guidance on submitting electronic reports.

Public institutions should also submit a copy of this report to the Office of the State Comptroller and the Office of the State Auditor. Reports to the Office of the State Auditor should be-submitted electronically as a PDF via email to: [auditor@massauditor.gov](mailto:auditor@massauditor.gov)

In accordance with Chapter 647 of the Acts of 1989<sup>5</sup>, public institutions are further required to **immediately** report all unaccounted-for variances, losses, shortages or thefts of funds or property to the Office of the State Auditor, using a form provided by that office.

## Auditor Qualifications

The independent auditor must meet the qualification and independence standards specified in *Government Auditing Standards*, including continuing education requirements. Internal auditors of an institution are not independent while auditing within it. However, the independent auditor may consider the work of the internal auditors in performing the examination-level compliance attestation engagement.

*Government Auditing Standards* require the independent auditor and audit firms to comply with applicable provisions of the public accountancy law and rules of the jurisdiction in which they are licensed and where the engagement is being conducted. If the institution is located in a state outside of the home state of the independent auditor, and the independent auditor performs substantial field work in the institution’s state, the independent auditor should document his/her compliance with licensing requirements of the public accountancy laws of that state. This *Guide* does not impose additional licensing requirements beyond those established by the individual State Boards of Accountancy.

# EXECUTION AND COMPLIANCE REQUIREMENTS

## Introduction

- Sets Forth the minimum standards, which are the subject of management’s written compliance;

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<sup>5</sup> Although Chapter 647 of the Acts of 1989. & M.G.C. c.7A § 9A primarily addresses public institutions and community colleges, OFSA mandates that ALL institutions comply with these guidelines.

- Describes the related compliance requirements; and
- Provides guidance on the general approach the independent auditor should consider in designing and carrying out procedures in his or her examination of management's written assertions.

The suggested procedures in this section are not intended to be a complete set of procedures to satisfy the engagement objectives, nor are they intended to supplant the independent auditor's judgment about the testing necessary for him or her to report on management's assertions.

## Preparation

Auditor should be familiar with the relevant statutes and sections of Massachusetts General Laws to obtain a complete understanding of the compliance requirements. Specific requirements may change periodically.

To perform the engagement, the independent auditor should obtain, read or have available:

- Massachusetts General Laws, Chapter 15A § 9B, §9 (cc), § 9 (ee), §. 16, §. 19, 19 D and Tuition Equity Law, Chapter 29 § 2UUU, Chapter 30 § 42, Chapter 66 § 8, Chapter 69 § 31B.
- Massachusetts Student Financial Assistance program guidelines, policies and procedures.
- Any relevant OSFA or Department of Higher Education "Dear Colleague" letters.
- Other practitioner's reports.
- Regulatory agency's reports.

The institution's

- Management representation letter
- Policy Manuals
- Accounting Manuals
- Relevant Memorandums
- Procedural Write-ups
- Flowcharts
- Internal auditor's reports
- For public institutions, reports from the Office of the State Auditor

# Institutional Eligibility

## Required Management Assertion

***“[Institution] complied with the institutional eligibility and participation requirements listed in the Massachusetts OSFA Student Financial Assistance Attestation Guide.”***

## Compliance Requirements

To participate in the Massachusetts student financial assistance programs, an institution must be an eligible private, public, independent, for profit or nonprofit institution of higher education issuing associate and/or bachelor’s degrees, or certificate programs or graduate programs, and must:

- Have a valid Title IV Program Participation Agreement issued by the U.S. Department of Education.
- Have a valid Participation Agreement issued by the Massachusetts OSFA.
- Have a valid U.S. Department of Education *Eligibility and Certification Approval Report (ECAR)* that lists the institution’s main campus and any additional approved.
- Have locations and eligible programs under the Title IV Student Financial Assistance program. For any other locations at which an institution offers 50 percent or more of an eligible program during the audit period, the institution must either submit an application for approval of that location or notify the U.S. Department of Education of that location.
- Have an Accreditation letter from its accrediting agency evidencing that the institution is fully accredited, and that the institution’s accreditation is in force as of the date of execution of the Participation Agreement and has remained in force since.
- Have notified the Massachusetts OSFA within ten (10) days, in writing, of any change in ownership, consolidation, or dissolution, or any other transfer, suspension or discontinuance of any facility, branch or location where notification is required under Federal law or regulation pursuant to the institution’s participation in Federal Title IV programs.
- Have not paid any commission, bonus, or other incentive payment – based directly or indirectly upon success in securing enrollments or financial aid – to any person or entity engaged in any student recruiting or admission activities or in making decisions regarding the awarding of Title IV funds.
- Have established and published reasonable standards, in accordance with federal requirements, for measuring whether eligible students are maintaining satisfactory progress in their educational program.
- Have met federal financial responsibility standards, or was granted “zone

alternative”.

- Have in cases where the institution entered into a written agreement with another institution, consortium, or organization to provide educational programs, the institution ensured that the educational programs contracted out do not exceed regulatory limits.
- Not have more than 50 percent of its courses are correspondence courses.
- Not have more than 50 percent of its regular students (i.e., students enrolled for the purpose of obtaining a degree, certificate or diploma) enrolled in correspondence courses.
- Not have more than 25 percent of its regular students incarcerated (34 CFR 600.7(a)(1)(iii)).
- Not have more than 50 percent of its regularly enrolled students lack a high school diploma nor its recognized equivalent, and the institution does not provide a two-year or four-year program for which it awards a bachelor's degree or an associate degree, respectively (34 CFR 600.7(a)(1)(iv)).
- Not have more than 50 percent of its regular students enrolled as “ability-to-benefit students”.
- Been licensed to conduct business or programs by the jurisdiction/agency in which it is located.
- Have all confined or incarcerated students enrolled in an eligible [PEP](#) to receive Pell funds.
- Be legally authorized by the state to provide a postsecondary education program in that state.
- Be a non-profit and award associate and bachelor's degrees if located within states with reciprocity agreements.
- Have a parent institution located in Massachusetts if it is a branch campus in Massachusetts.
- Be in compliance with M.G.L. c. 69, § 31B, as amended by Chapter 113 of the Acts of 2019, and 610 [CMR](#) 13.00.
- Adhere to the National Student Clearinghouse’s reporting of student enrollment for compliance.
- Have at least 10 percent of revenue derived from sources other than federal funding as stated in the 90/10 rule within 34 CFR 668.
- Develop, implement, and maintain a comprehensive written information security program (WISP) if the institution has 5,000 or more students.
- Institutions are only able to award financial assistance to students for one (1) associate or bachelor’s degree if the student is taking multiple degrees, unless

permitted by program guidelines.

- Institutions do not qualify if they have either of the following:
  - The institution, or an affiliate with the power, by contract or ownership interest, to direct or influence the management or policies of the institution, (a) files for relief in bankruptcy; or (b) Has entered against it an order for relief in bankruptcy; OR
  - The institution, its owner, or its chief executive officer: (a) Has pled guilty to, pled nolo contendere to, or been found guilty of a crime involving the acquisition, use, or expenditure of Title IV, HEA program funds; or (b) Has been judicially determined to have committed fraud involving Title IV, HEA program funds.”
- If an institution is planning to merge with another institution, it is required to notify the Board as far as possible in advance of the closure or merger.

In addition to meeting the general provisions set forth in the institution’s Participation Agreement, the institution must be in compliance with all laws, policies and guidelines specific to any financial assistance program established by the OSFA and the Commonwealth of Massachusetts that the institution participates in. All institutions should align with this audit guide and the standards referenced therein, even if they do not participate in Title IV federal financial aid programs.

Specific institutional eligibility requirements for all OSFA programs are included in [Appendix C](#) of this program *Student Financial Assistance Attestation Guide*.

## **Suggested Procedures**

1. Obtain an understanding of the institution’s procedures for ensuring compliance with institutional eligibility and participation criteria.
2. Obtain and inspect the institution’s Title IV and OSFA Program Participation Agreement.
  - a. Determine that the institution is properly authorized to participate in the Massachusetts State Financial assistance programs that it offers.
  - b. Obtain and review the [ECAR](#) that was in effect for the fiscal year and identify the main campus and any additional locations. Ascertain if the institution is offering more than 50 percent of an eligible program at any locations not on the ECAR. If so, determine if the institution notified [ED](#) of the additional location or submitted an application for approval of the additional location.
3. Obtain and inspect the following to determine that the institution was in compliance with its accreditation agency(s):
  - a. The accreditation letter from the institution’s accrediting agency covering the current award period.
  - b. Any additional correspondence from the accrediting agency.
4. Test graduated student’s academic records to determine that educational programs

were offered and were conducted in accordance with eligible program guidelines.

5. For the award year, obtain from the institution its calculation of its award year institutional eligibility ratios of correspondence courses, student enrolled in correspondence courses, incarcerated, “ability-to-benefit” students, and regular students that have neither received a high school diploma nor the recognized equivalent. Ascertain the proper classification and completeness of data and accuracy of the calculations.
6. Ascertain the methodologies used to recruit, admit, and enroll students, and award federal financial aid, e.g., using employees, employment contracts, contracting with third parties or Internet providers, or combinations of these or other methods. Ensure that the institution is in compliance with the regulatory requirements.
7. Review the institution’s published satisfactory progress standards and ascertain that all federally required elements are included. From the test of students sampled, ensure that students are making satisfactory academic progress, and if not, the regulations are followed.
8. Obtain a written representation from management as to whether the institution is participating under the “zone alternative.” If so, determine that ED was timely notified if any of the events identified in 34 CFR section 668.175(2) (ii) occurred, and disbursements to students and parents, complied with the requirements of the cash monitoring or reimbursement payment methods.
9. Determine if the institution entered into agreement for its students to complete part of their educational program at another institution, consortium, or organization was an eligible institution. If not, ensure that regulatory standards were met for providing eligible programs.
10. Make inquiries of institution’s management and obtain, as part of the management representation, written representation that the institution
  - a. Notified OSFA of any changes in ownership, consolidation, or dissolution, or any other transfer, suspension or discontinuances of any facility, branch or location where notification is required under Federal law or regulation within the appropriate time window.
  - b. Or an affiliate with the power, has NOT, by contract or ownership interest, to direct or influence the management or policies of the institution, (a) filed for relief in bankruptcy; or (b) entered against it an order for relief in bankruptcy; OR
  - c. Or its owner or chief executive officer has NOT: (a) pled guilty to, pled nolo contendere to, or been found guilty of a crime involving the acquisition, use, or expenditure of Title IV, HEA program funds; or (b) been judicially determined to have committed fraud involving Title IV, HEA program funds.”
11. Verify that confined or incarcerated students are enrolled in an eligible PEP.
12. Verify that the institution is legally authorized by state to provide a postsecondary

education program in that state.

13. Verify that if the institution is located within states with reciprocity agreements, that they are a non-profit and award associate and bachelor's degrees.
14. Verify that if the institution is a branch campus in Massachusetts, the parent institution is located in Massachusetts.
15. Review compliance with M.G.L. c. 69, s 31B, as amended by Chapter 113 of the Acts of 2019, and 610 CMR 13.00.
16. Review compliance with the National Student Clearinghouse's reporting standards.
17. Determine if at least 10% of the institution's revenue is derived from sources other than federal funding.
18. Review the WISP system if the institution has more than 5,000 students.
19. Test the WISP and determine whether it addresses the required minimum seven (7) elements as defined in the GLBA.
20. Verify if the institution is in its first year as an eligible Title IV institution.

## Student Eligibility

### Required Management Assertion

***“[Institution] complied with the student eligibility compliance requirements listed in the Massachusetts OSFA Student Financial Assistance Attestation Guide.”***

### Compliance Requirements

A grant, loan, or tuition waiver award may be made only to a recipient who meets the following requirements:

- Has met the Institution's and the financial assistance program's enrollment requirements.
- Is an undergraduate student enrolled in an eligible course or in the process of attaining an associate, certificate or a bachelors' degree.
- Has not received a first bachelors' degree except for specific programs providing financial assistance to graduate students.
- Has financial need and is eligible under the Federal need analysis criteria unless the specific program is not need based or is otherwise designated.
- Has his or her enrollment status, as defined in the program, certified to the Massachusetts OSFA by the institution.
- Is maintaining satisfactory academic progress according to institutional definitions and federal standards.

- Is in compliance with the requirements of the Military Selective Service Act or has been excused there from.
- Is not in default of any Federal or State loan for attendance at any institution.
- Does not owe a refund for any previous financial assistance received.
- Student cannot be dually enrolled in high school and college as this would make them ineligible for Title IV funds.
- Incarcerated or confined students are eligible for Pell Grants as long as they are in an eligible Prison Education Program through Section 484(t) of the HEA.
- Is an individual with a high school diploma or its recognized equivalent or is beyond the age of compulsory school attendance in the state where the institution is located.
- Must have documentation of high school completion or equivalent.
- Must only receive funds for one (1) degree if the student is pursuing multiple degrees, unless stated by program guidelines.
- Must attend an eligible post-secondary institution in Massachusetts or an approved out-of-state institution in a state with a reciprocity agreement with Massachusetts to receive a MASSGrant award.
- Must submit required documentation to the institution as specified in M.G.L. c. 15A. § 9, par. 5, as amended by section 11 of Chapter 28 of the Acts of 2023.<sup>6</sup>
- Physically reside in Massachusetts for at least one year, as of the start of the enrolled term, with an intent to remain in Massachusetts consistent with Board of Higher Education (BHE) policy.
- Be a U.S. Citizen, lawful permanent resident, or non-citizen eligible under Title IV regulations; or have an approved eligibility status designated by the BHE pursuant to the Massachusetts Tuition Equity Law or otherwise.

Institutions must coordinate the OSFA programs with the other Federal and non-Federal student financial assistance programs it administers and must establish controls to preclude awarding assistance in excess of students' financial aid need, where appropriate.

## **Suggested Procedures**

1. Review, evaluate, and document the institution's procedures for determining student eligibility.
2. CFR Part 200 defines a "cluster of programs" as a group of closely related financial aid programs that share common compliance requirements. The Massachusetts OSFA has adopted this definition for the Massachusetts state financial assistance programs. As a result, the state financial assistance programs should be

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<sup>6</sup> Although M.G.L. c.15A primarily addresses public institutions and community colleges, OSFA mandates that ALL institutions comply with these guidelines.

considered as one (1) program for purposes of the attestation engagement. Accordingly, select a representative sample of student files and test to determine whether selected students were eligible for the Massachusetts student financial assistance programs for which they received awards. Representative samples should include all forms of state financial assistance awarded by the institution.

3. Obtain and inspect student academic files, financial aid files and other files to determine if the student:
  - a. Is a regular student enrolled or accepted for enrollment in an eligible program for at least the minimum required number of credits or the equivalent;
  - b. Is an undergraduate student enrolled in an eligible course or in the process of attaining an associate, certificate or a bachelors' degree, where applicable;
  - c. Is a U.S. citizen or eligible non-citizen or has a High School Completer Status;
  - d. Has financial need, where applicable, (as defined and total awards including Federal and State aid as well as other outside sources that do not exceed financial need);
  - e. Has calculated Student Aid Index that complies with Federal regulations;
  - f. Has a cost of education that agrees with the appropriate student budget established by the institution, or otherwise documented;
  - g. Does not owe a refund for any previous financial aid received;
  - h. Is not in default of any student loans;
  - i. Is maintaining satisfactory progress (as defined);
  - j. Is in compliance with Selective Service Registration;
  - k. Has a high school diploma or its recognized equivalent or is beyond the age of compulsory school attendance in the state where the institution is located;
  - l. Is above the age of compulsory attendance in the Commonwealth of Massachusetts;
  - m. Has ability to benefit;
  - n. Has not received a first bachelors' degree except for specific programs providing financial aid to graduate students;
  - o. Has only received funds for one (1) degree if the student is pursuing multiple degrees, unless stated by program guidelines;
  - p. Is attending an eligible post-secondary institution in Massachusetts or an approved out of state institution;
  - q. Has, if applicable, provided all necessary documentation to complete verification;
  - r. Has provided all required documentation to the institution as specified in

M.G.L. c. 15A. § 9, par. 5, as amended by section 11 of Chapter 28 of the Acts of 2023;

- s. Has all required financial aid transcripts on file, or the equivalent;
  - t. Has his or her enrollment status, as defined in the program, certified to the Massachusetts OSFA by the Institution;
  - u. Is not dually enrolled in high school and college;
  - v. Is in an eligible Prison Education Program if the student is confined or incarcerated and is receiving Pell Grants;
- 4. Determine that the student is not in default of any Federal or State loan.
    - a. For Federal loans, obtain and review Students Institutional Student Information Report record ([\*ISIR\*](#)), verify that non default status has been documented.
  - 5. For State loans, obtain all reports of Current No Interest Loan Defaults and verify that state financial assistance program awards had not been disbursed to a State loan defaulter's student account after the institution had been notified of the student's default status.
  - 6. If institution is using a computer system to materially assist or determine student eligibility, the auditor should perform audit procedures to determine the internal controls of the computer system(s) are operating effectively.
    - a. In some programs, the institution is required to use a quality control process to obtain assurance about eligibility. Review the quality control process and perform tests to ascertain if it is operating to effectively meet the objectives of the process and in compliance with applicable program requirements.
  - 7. Perform procedures to ascertain if the nonfederal entity's records/database includes all individuals receiving benefits during the audit period (e.g. that the population of individuals receiving benefits is complete.
  - 8. Select a sample of individuals receiving benefits and perform tests to ascertain if
    - a. The required eligibility determinations and redeterminations were performed, and the individual was determined to be eligible in accordance with the compliance requirements of the program. This should include obtaining required documentations/verifications and noting that some programs contain initial and continuing eligibility requirements;
    - b. Benefits paid to or on behalf of the individuals were calculated correctly in compliance with the requirements of the program; and
    - c. Benefits were discontinued when the period of eligibility expired.

## Reporting

## Required Management Assertion

***“[Institution] complied with the reporting requirements listed in the Massachusetts OSFA Student Financial Assistance Attestation Guide.”***

## Compliance Requirements

Institutions receiving OSFA funds are required to ensure that reports contain reliable information and are prepared and submitted in accordance with the applicable program guidelines.

Reports required for attestation reporting:

### For all Programs:

The Institution shall submit annually, by July 31, or otherwise specified by OSFA, account reconciliation for all state financial assistance programs that the institution participates in. In addition, the institution shall provide data to OSFA and the Department of Higher Education in response to information requests concerning administration and evaluation of financial assistance available to the institution's students

### For Grant Programs:

The Institution shall be required to furnish to the Commissioner annually, by August 31<sup>st</sup>, or otherwise specified by the Massachusetts Department of Higher Education, a report detailing the total amount of grant program funds received and expended, the total number of grant awards made to students, and the average grant award made to eligible students.

### For Tuition Waiver Program:

The Institution shall, for each program requiring such a report, complete annually, by August 31<sup>st</sup>, or unless otherwise specified by OSFA, a report detailing the number and characteristics of tuition waiver recipients.

Additional reporting requirements that institutions must comply with in order to participate in the Massachusetts student financial assistance programs:

- Institutions shall maintain records pertaining to the administration of the Commonwealth of Massachusetts financial aid programs for a period of seven (7) years following the academic year during which those records were created, unless such records are included in disposal schedules approved by the Records Conservation Board upon the request of the OSFA in accordance with M.G.L. c. 66, s. 8."
- Institutions shall maintain all documentation relating to student financial aid records for five (5) years after the student's separation from the institution in accordance with the RCB-approved Retention Schedule.
- Institutions must maintain documentation of its compliance with the requirements.
- Institutions must report annually to the Department on their compliance with 610

CMR 13.00<sup>7</sup> and M.G.L. c. 69, § 31B.

- Institutions must explain their information-sharing practices to their customers and to safeguard sensitive data. Institutions must protect student financial aid information, with particular attention to information provided to institutions by ED or otherwise obtained in support of the administration of the Federal student financial aid programs.
- The Institution's management must calculate the following:
  - The percentage of institutions regular students that lack a high school diploma or its equivalent;
  - The completion and placement rates for short-term programs under 34 CFR 66.8(f) and (g) and 34 CFR 668.8(e)(2);
  - The percentage of correspondence courses the institution offers and the percentage of regular students that enroll in correspondence courses under 34 CFR 600.7(b) and (g). (previously said it can't be more than 50% of its courses are correspondence courses);
  - The percentage of the institution's regular students that are incarcerated under 34 CFR 600.7(c) and (g); and
  - Completion rates for confined or incarcerated individuals enrolled in non-degree programs at nonprofit institutions under 34 CFR 600.7(c)(3)(ii) and (g).
- An institution shall immediately notify the board of any known financial liabilities or risks that are reasonably likely to result in the imminent closure of the institution or otherwise negatively affect the institution's ability to fulfill its obligations to current and admitted students.

## **Suggested Procedure**

1. Review, evaluate and document procedures for reporting amounts and disclosures provided in:
  - a. Annual Reconciliation;
  - b. Report Response to Information Request;
  - c. Grant Award Information; and
  - d. Waiver Information Report.
2. Obtain and inspect the required reports
  - a. On a test basis determine that the institution performed the required reconciliation and disclosure procedures and submitted the report in a timely manner.

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<sup>7</sup> Although 610 CMR 13.00 primarily addresses private institutions, OFSA mandates that ALL institutions comply with these guidelines.

- b. For unmatched and mismatched amounts determine that the institution performed the following:
    - i. Promptly researched and reconciled detailed records; and
    - ii. Transmitted corrections to OSFA.
3. Obtain and verify that the institution maintains the records of Massachusetts financial aid programs for a period of seven (7) years following the records academic year.
4. Obtain and verify that the institution maintains the records of Massachusetts financial aid programs for students for a period of five (5) years following the separation of the student with the institution.
5. Obtain and verify maintenance of documentation of an institution's compliance with the applicable regulatory and statutory requirements.
6. Verify that institutions report annually to the Department of Higher Education on their compliance with 610 CMR 13.00 and M.G.L. c. 69, s. 31B.
7. Verify if the institution is verifying to merge with another institution and if so, verify that they have notified the board as far as possible in advance.
8. Verify that institutions have explained their information-sharing practices to their customers and safeguard sensitive data.
9. Opine or reperform the calculations executed by management.
10. Verify that institutions notified the board of any known financial liabilities or risks that are reasonably likely to result in the imminent closure of the institution or otherwise negatively affect the institution's ability to fulfill its obligations current and admitted students, if there were any.
11. Perform tests to verify the institution is maintaining eligibility records, including information about each individual and benefits paid to or on behalf of the individual (regular payments, refunds, and adjustments).
12. Review the institution's procedures for determining if key personnel were involved in the project.
13. Review a sample of projects and determine if key personnel identified in the application/proposal and award were involved in the project as required.
14. Determine if the institution complied with any award requirements for approval of changes in key personnel or absence from, or changes in time committed to, the project by the approved project director or principal investigator.

## **Disbursements**

### **Required Management Assertion**

## **Compliance Requirements**

- The independent auditor shall review student’s accounts to ensure that awards from the State financial assistance programs are properly disbursed.
- The institution’s records shall reflect all disbursement transactions accurately and identify disbursements by OSFA program.

## **Payment Periods**

Awards are generally made as a component of the student’s total financial aid package. Institutions are required to make at least two (2) disbursements, or unless otherwise permitted under the program, during the traditional academic year. Students must continue to meet eligibility criteria following the initial disbursement to be eligible to receive subsequent disbursements. Awards may not exceed a student’s demonstrated financial need, unless otherwise designated. Specific Program Requirements are:

### **Massachusetts Assistance for Student Success Program**

1. **MASSGrant Program, Paraprofessional Teacher Preparation Grant, Early Childhood Educator’s Scholarship Program, Gear-up Scholarship, Gilbert Matching Grant Program, and High Demand Scholarship Program** are disbursed to the institution in two (2) equal payments corresponding to the fall and spring semesters of the traditional academic year. Students must continue to meet all eligibility criteria as certified by the institution. Should the student discontinue enrollment during the academic year, the institution shall apply Federal Title IV and OSFA refund policies to State financial assistance programs.
2. **State University Internship Incentive Program, Scholar-Internship Match Fund**  
Funds shall be disbursed at the beginning of the academic term in which the student commences the internship.
3. **Tomorrow’s Teachers Scholarship Program**  
The award amount will be generated on the student's promissory note. A promissory note will only be generated once the institution submits the student's financial data. This promissory note will have your full academic year scholarship amount.
4. **One Family Scholarship Program**  
Scholarship expenses paid on behalf of an eligible student shall be reimbursed to One Family, Inc. by the Board of Higher Education each semester, as invoiced.
5. **Part-Time Grant Program**  
One hundred percent of the funds allocated shall be used for awards to students. Funds must be awarded to students during the traditional academic year.
6. **MassReconnect Program and MASSGrant Plus**

Funds are disbursed through a formula approved by the Commissioner of Higher Education. The formula may include installments throughout the academic year, may take into account utilization and enrollment, and may include reallocations of underutilized installments.

**7. Christian A. Herter Memorial Scholarship Program, and Public Service Grant Program**

Pre-payment in the amount of the total award for each semester will be mailed to each institution under separate cover.

**8. The Tuition Waiver Program and Need Based Cash Grant**

Awarded as a component of the student's financial aid package.

**9. No Interest Loan**

- a. Student should not be in default of any Federal or State loan.
- b. Shall be at least two (2) disbursements.
- c. Single disbursement of current date is greater than loan period end date; or, loan period is less than 155 days in length.
- d. Subsequent disbursements must occur on or after previous disbursement date.
- e. Disbursements must be whole dollar amounts determined by dividing loan amount by the number of disbursements.
- f. Loan increases within a loan period are considered new loans.
- g. Late disbursement of an existing loan may occur up to 45 days from the borrower's last date of enrollment.

**Disbursement Period**

First Disbursement

Current date, if less than or equal to 20 days prior to start of loan period; otherwise, 20 days prior to start of loan period, in all other cases.

Second disbursement (no 3<sup>rd</sup> disbursement)

If current date is less than or equal to 20 days prior to midpoint of loan period, then disbursement date is 20 days prior to midpoint of loan period. Otherwise, current date is the disbursement date. At no time shall second disbursements occur prior to first disbursement.

Second disbursement (3<sup>rd</sup> disbursement Selected)

If the current date is less than or equal to the one-third point of the loan period less 20 days, the one-third point of the loan period less 20 days shall be assigned as the second disbursement date.

If the current date is greater than the one-third point of the loan period less 20 days, the one-third point of the loan period less 20 days shall be assigned as the second disbursement date.

In either case, if the date calculated for the second disbursement date is less than that assigned for the first disbursement, the disbursements will occur in two (2) consecutive weeks.

## **Suggested Procedures**

Review, evaluate and document procedures for:

1. Completing loan applications.
2. Recording financial transactions.
3. Disbursing funds by payment periods and within timeframes and restrictions.
4. Conducting entrance and exit counseling and having documentation in the student's file.
5. Identifying credit balances in student accounts.
6. Identifying students in default of State loans and adjusting awards accordingly.
7. Using the same representative sample selected to test student eligibility determine that payments are properly calculated and disbursed according to the program requirements. Obtain and inspect student academic and financial aid files, student accounts and attendance records and test to determine:

That the institution DID NOT:

- a. Release funds or credit a student account for a student on a leave of absence.
- b. Make a second and or subsequent disbursement prior to the initial disbursement date.

That the Institution:

- a. Has a completed and signed promissory note for Massachusetts Not Interest Loans.
  - b. Performed and documented required entrance and exit counseling.
  - c. Has adjusted loans, as necessary, in cases where students have been identified as being in default.
  - d. Reported Changes in enrollment status to either the loan program servicing agency and/or the National Student Loan Data Systems ([NSLDS](#)) in cases where the student has separated from the institution.
8. Identify the types of activities which are either specifically allowed or prohibited by federal statutes, regulations, and the terms and conditions of the federal award pertaining to the program.
  9. When allowability is determined based upon summary level data, perform procedures to verify that:
    - a. Activities were allowable.
    - b. Individual transactions were properly classified and accumulated into the

activity total.

10. The auditor should be alert for large transfers of funds from program accounts which may have been used to fund unallowable activities
11. When allowability is determined based upon individual transactions, select a sample of transactions and perform procedures to verify that the transaction was for an allowable activity.
12. For a sample of student disbursements, identify the student's payment period and each disbursement date. Ascertain if the disbursement was made in accordance with the disbursement timing requirements and if the amount credited (charged) to student ledger accounts complied with the requirements for allowable current year and prior year charges. Determine whether the institution's policies and procedures provide for determining a student's eligibility at the time of disbursement. For the disbursements selected above determine whether the institution provided notification to the student of the amount and type of Title IV funds they are expected to receive and how and when those disbursements will be made.
13. For a sample of students with a credit balance, determine if the credit balance was paid to the student or parent borrower (1) within 14 days or (2) if the institution obtained an authorization to hold credit balances and was not on the reimbursement or heightened cash monitoring payment methods, by the end of the loan period or last payment period in the award year for which the funds were awarded.

## Refunds

### Required Management Assertion

***“[Institution] complied with the refund requirements listed in the OSFA Student Financial Assistance Attestation Guide”***

### Compliance Requirements

#### Massachusetts Grant Programs

Refunds to OSFA may be due as a result of adjustments to [SAI](#), change in dependency status, transfer, withdrawal, dropping below full-time status, or an approved leave of absence.

- State financial aid programs refund policy shall be used in determining percentage and amount to be refunded to State programs.
  - The refund policy can be found within the Massachusetts State Financial Aid Programs Guidelines and Procedures 2024-2025 within the OSFA website.
  - The State Financial Aid Programs Refund Worksheet can be found within

the OSFA website.

- Refunds should be made, in the timeframe specified within OSFA program guidelines or, in a timely manner. Refunds should be made to OSFA and accompanied by a completed refund form.

### **Massachusetts No Interest Loan Program**

- Institutions are expected to refund all or any portion of Massachusetts No Interest Loan disbursements that were not applied by the recipient to educational expenses during the academic year.
- If a student becomes ineligible as a result of a change in enrollment status, [NIL](#) loan proceeds shall be returned to OSFA within 30 days.

### **Suggested Procedures**

Review, evaluate and document procedures for:

1. Identifying students who either were or should have been identified as withdrawn, dropped, terminated or on leave of absence.
2. Assuring that refunds are repaid to OSFA in a timely manner.

Using the same representative sample selected to test student eligibility and disbursements determine that refunds were properly calculated and disbursed according to the program requirements. If the representation sample does not include a sufficient number of students who withdrew, dropped, terminated or on leave of absence, then select additional students from a combined list of the above categories to arrive at an adequate sample. Obtain and inspect students' academic and financial aid files, student accounts, attendance records and cancelled checks. Determine if the enrollment status of any of the students in the representative sample is indicative of a refund.

3. For each student identified as due a refund:
  - a. Determine the amount that should have been refunded.
  - b. Compare refund payments made to calculated amounts.
  - c. Determine that refunds were properly paid to OSFA or to students within the timeframes established by law or regulation.
4. Using a sample of students who ceased attendance during a payment period or period of enrollment (including those who met one (1) of the withdrawal exemptions), dropped, on a leave of absence, never began attendance or terminated during the audit period ascertain if returns of Title IV funds were properly calculated. Obtain and inspect student academic and financial aid files, student ledger accounts, financial records, and, if applicable, attendance records. Ensure that for students enrolled in distance education courses, documented attendance includes academic engagement, not merely logging in to an online platform; when applicable to the determination of last day of attendance (See the discussion under

[FSA](#) Handbook, Volume 5, Chapter 2: Documenting attendance when students are enrolled in distance education courses). From the records determine:

- a) If the student's enrollment status is correct (official or unofficial withdrawal or enrolled or graduated only if the student met the requirements for one (1) of the withdrawal exemptions).
  - b) Whether the calculation is calculated accurately. Calculating return of Title IV funds may be made using the worksheets found in the Appendix to Volume 5 of the FSA Handbook.
5. For instances in the sample tested in procedure 4.a (above) where a return of Title IV was required, trace the return of Title IV funds to disbursement and accounting records (including canceled checks to ED and students) to verify that returned Title IV funds were applied to programs in the required order and were timely. Ascertain that within 45 days (or within 30 days for students that never began attendance) of becoming aware that the student had withdrawn, deposits or transfers were made into the federal funds account, electronic transfers were initiated, or checks were issued. When an institution issues a check, the return of Title IV is not timely if the institution's records show that the check was issued more than 45 days after the institution becomes aware that the student withdrew (or more than 30 days for students that never began attendance) or the date on the cancelled check shows that the bank used by ED endorsed the check more than 60 days after the institution becomes aware that the student withdrew (or more than 45 days for students that never began attendance).
  6. For a sample of students who received Title IV assistance, for which no return of Title IV funds were made, review academic and enrollment records (including class attendance records if they are required) to ascertain whether the students sufficiently completed the payment or enrollment period to earn the Title IV funds received (earned 100% of Title IV funds received if completed more than 60% of the payment period/period of enrollment) or met one (1) of the withdrawal exemptions. When doing this, for students who received all failing and/or all incomplete grades, review records to ascertain whether the students has attended the institution or had attended but withdrawn (unofficial withdrawals). Ensure that for students enrolled in distance education courses, documented attendance includes academic engagement, not merely logging in to an online platform.
  7. For instances in the sample tested in procedure 4.a (above) where the student or parent was eligible for a post-withdrawal disbursement, ascertain if appropriate notification of the post-withdrawal disbursement was given to the student or parent. Review evidence of the student or parent's acceptance or rejection of the post-withdrawal disbursement. Determine if the institution followed the student or parent's instructions regarding the post-withdrawal disbursement.

## Other Important Information

- **M.G.L. C. 69 S. 31B** requires educational institutions to report any financial risks indicating imminent closure. It mandates annual financial assessments and the development of contingency plans to safeguard students. The statute specifies penalties for non-compliance and sets forth a procedure for the yearly evaluation of each institution's financial stability.
- **Family Educational Rights and Privacy Act (FERPA)** requires institutions to provide parents and or students over the age of 18 access to their education records.
- **610 CMR 2.07 (3)(f)(2)** requires that no member, director, trustee, or officer of a non-profit institution shall receive income from the institution, except as reasonable compensation for expenses, unless that person is a regular employee of the institution.<sup>8</sup>

## REPORTING AND CONCLUSION

### Reporting Noncompliance

This Guide requires that all known or likely errors be reported as findings in the Schedule of Findings and Questioned Costs. This applies even in those cases where corrective action was taken by the institution after the examination period. Instances of noncompliance that have no associated questioned costs should also be reported.

[Exhibit D](#) of the Appendix includes a template for the Schedule of Findings and Questioned Costs, offering a clear and organized format for documenting key findings and questioned costs.

### Compliance Attestation Reporting

Effective with audit and/or attestation reports to be submitted for fiscal year 2025 and beyond, **all** institutions are now required to submit such reports electronically to the Massachusetts Department of Higher Education. **Paper copies of the reports are no longer accepted by the Massachusetts Department of Higher Education.** The reports are to be submitted via the Massachusetts Department of Education Dropbox. Staff from reporting institutions require a username and password to log in to the Dropbox to submit reports. To access the Dropbox, please go to: <https://gateway.edu.state.ma.us/>

Institutions should submit Internal Control Certifications ([ICC](#)) annually through the comptroller's website. Auditors should validate that institutions are submitting the ICC annually. To access the annual updates to the ICC, auditors can visit the comptroller's website using the link provided: [Internal Controls - Office of the Comptroller](#)

**Public** Institutions should electronically email the reports to the Office of the State Auditor

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<sup>8</sup> Although 610 CMR 2.07(3)(f)(2) primarily addresses private or independent institutions, OFSA mandates that ALL institutions comply with these guidelines.

in the form of an electronic PDF to the following email address: [auditor@massauditor.gov](mailto:auditor@massauditor.gov)

The institution's report package, whether submitted via Dropbox or electronic PDF, as appropriate, must include the following:

- Report on Compliance.
- Schedule of Population, Items Tested, and Findings for Massachusetts State Financial Aid Program Cluster.
- Opinion related to the Schedule of Population, Items Tested, and Finding for Massachusetts State Financial Aid Program Cluster.
- Schedule of Findings and Questioned Costs, or a statement that there were "No Findings".
- Comments on resolution matters of prior findings.
- Reports on illegal acts, if applicable, as required by the Massachusetts OSFA (See page 11 of this Guide).
- Uniform Guidance Audit report if findings are reported, as required by the institution's participation agreement with Massachusetts OSFA.

Note that the Schedule of Population, Items Tested, and Findings for Massachusetts State Financial Aid Programs (refer to [Exhibit A](#)) is to be completed by the institution, reconciled to program reports and the institution's general ledger, and provided to the auditor in advance of fieldwork. The auditor is required to review the reconciliation to ensure completeness of the Schedule.

## **OSFA Review of Reports and Results**

OSFA will complete a desk review of all attestation reports and classify the results of its review as follows:

- Category 1 – Compliance Attestation Report received and no follow-up with school is necessary at this time.
- Category 2 - Compliance Attestation Report received and a specific report, schedule, exhibit or other information needs to be submitted, corrected or re-issued.
- Category 3 – Compliance Attestation Report received, and clarification is needed in order for the Massachusetts Department of Higher Education to accurately conduct its review of the Report.
- Category 4 – Compliance Attestation received and repayment of funds to Massachusetts State financial aid programs is necessary.
- Category 5 – Compliance Attestation Report received, and no specific action is required at this time. However, there are items or issues that should be properly reported or resolved in subsequent Compliance Attestation Reports from the institution.

These results will be communicated to the institutions in writing. In all instances, the Massachusetts OSFA reserves the option of requesting institutions or agents on its behalf to perform a compliance attestation-level review of Massachusetts State financial aid programs at the institution for specific audit year(s), as appropriate.

An institution that has been selected to submit a Massachusetts State financial aid programs specific Compliance Attestation Report on a yearly basis will again be re-evaluated at the conclusion of the subsequent audit year and considered for inclusion in the every third year Compliance Attestation Report Submission program.

Likewise, an institution that participates in an every third-year reporting rotation program will be evaluated during that third year. If the Massachusetts State Financial aid programs Compliance Attestation Report shows significant findings during that third year, the institution will be required to resume annual submission of the Compliance Attestation Report.

## **Future Revisions**

As revisions to certain auditing standards occur, the auditor must modify his or her professional performance to meet the revised standards.

OSFA may periodically revise the program compliance requirements. The auditor is responsible for assuring that he/she is using the most current version of this *Guide*.

## Appendix A: Abbreviations/Acronyms

Abbreviation/Acronym	Full Term or Applicable Description
ACT	American College Testing
AICPA	American Institute of Certified Public Accountants
AU-C	Auditing Standards Codification
CAP	Corrective Action Plan
CFR	Code of Federal Regulations
CMR	Code of Massachusetts Regulations
DCF	Department of Children and Families
“Dear Colleague” Letters	Typically refers to official guidance letters issued by the U.S. Department of Education. <b>OR</b> Official Correspondence sent by a member, committee or officer of the US House of Representatives or United States Senate to describe new bills, seek cosponsors, or influence recipients’ votes on an issue.
DHE	Department of Higher Education
ECAR	Eligibility and Certification Approval Report
ED	U.S. Department of Education
EFC	Expected Family Contribution
FAFSA	Free Application for Federal Student Aid
FSA	Federal Student Aid (handbook)
FTA	Federal Tuition Assistance
GAO	U.S. Government Accountability Office
GEAR UP	Gaining Early Awareness and Readiness for Undergraduate Programs
ICC	Internal Control Certifications
Institution	Postsecondary educational institution
ISIR	Institutional Student Information Report
Massachusetts OSFA	Massachusetts Office of Financial Assistance
MCAS	Massachusetts Comprehensive Assessment System
MEFA	Massachusetts Education Financing Authority – a nonprofit that helps families plan, save, and pay for college
M.G.L.	Massachusetts General Laws
NIL	No Interest Loan
NSLDS	National Student Loan Data System
OSFA	Office of Financial Assistance
PEP	Prison Education Program
SAI	Student Aid Index
SSAE	Statements on Standards for Attestation Engagements
STEM	Science, Technology, Engineering, Math
WISP	Written Information Security Program
Yellow Book	Government Auditing Standards – issued by the U.S. Government Accountability Office (GAO)

## **APPENDIX B: ILLUSTRATIVE REPORTS**

- Exhibit A. Schedule of Population, Items Tested, and Findings for Massachusetts State Financial Aid Program Cluster
- Exhibit B. Independent Accountants' Report Examples
- Exhibit C. Auditor's Opinion on Financial Statements and Supplementary Schedule of Population, Items Tested, and Findings for Massachusetts State Financial Aid Program Cluster
- Exhibit D. Schedule of Findings and Questioned Costs
- Exhibit E. Summary Schedule of Prior Review Findings
- Exhibit F. Corrective Action Plan Template

XYZ College  
Schedule of Population, Items Tested, and Findings for  
Massachusetts State Financial Aid Program Cluster  
Year Ended June 30, 20XX

Financial Aid Program	Description of Category	Number of Students	Percent of Students	Number of Awards	Percent of Awards
General Scholarship (MASSGrant)	Population		100%		100%
	Tested		%		%
	Findings		%		%
Matching of Scholarship Grants (Gilbert Grant)	Population		100%		100%
	Tested		%		%
	Findings		%		%
Christian Herter Memorial Scholarship	Population		100%		100%
	Tested		%		%
	Findings		%		%
Part Time Student Grant	Population		100%		100%
	Tested		%		%
	Findings		%		%
Need Based Cash Grant Program	Population		100%		100%
	Tested		%		%
	Findings		%		%
Public Service Scholarship	Population		100%		100%
	Tested		%		%
	Findings		%		%
Massachusetts No Interest Loan	Population		100%		100%
	Tested		%		%
	Findings		%		%
Completion Incentive Grant Fund	Population		100%		100%
	Tested		%		%
	Findings		%		%
Massachusetts Foster Child Grant	Population		100%		100%
	Tested		%		%
	Findings		%		%
Paraprofessional Teacher Preparation Grant	Population		100%		100%
	Tested		%		%
	Findings		%		%
Early Childhood Educators Scholarship	Population		100%		100%
	Tested		%		%
	Findings		%		%
John & Abigail Adams Scholarship	Population		100%		100%
	Tested		%		%
	Findings		%		%
One Family Inc. Scholarship	Population		100%		100%
	Tested		%		%
	Findings		%		%
Massachusetts High Demand Scholarship	Population		100%		100%
	Tested		%		%
	Findings		%		%

Math & Science Teachers Scholarship	Population Tested Findings		100% % %		100% % %
Scholar-Internship Match Fund Program	Population Tested Findings		100% % %		100% % %
GEAR UP Scholarship	Population Tested Findings		100% % %		100% % %
National Guard Tuition & Fee Assistance	Population Tested Findings		100% % %		100% % %
Need Based Tuition Waiver	Population Tested Findings		100% % %		100% % %
Categorical Tuition Waiver	Population Tested Findings		100% % %		100% % %
Graduate Student Tuition Waiver	Population Tested Findings		100% % %		100% % %
Massachusetts Education Financing Authority Prepaid Tuition Waiver	Population Tested Findings		100% % %		100% % %
Joint Admission Tuition Advantage Program Tuition Waiver	Population Tested Findings		100% % %		100% % %
Senator Paul E. Tsongas Scholarship Tuition Waiver	Population Tested Findings		100% % %		100% % %
Washington Center Program Tuition Waiver	Population Tested Findings		100% % %		100% % %
University of Massachusetts Academic and Artistic Talent Program Tuition Waiver	Population Tested Findings		100% % %		100% % %
University of Massachusetts Exchange Program Tuition Waiver	Population Tested Findings		100% % %		100% % %
University of Massachusetts Division 1 Athletic Program Tuition Waiver	Population Tested Findings		100% % %		100% % %
Cooperative Association of States for Scholarships Program Tuition Waiver	Population Tested Findings		100% % %		100% % %
Incentive Program for Aspiring Teachers Tuition Waiver	Population Tested Findings		100% % %		100% % %
Collaborative Teachers Tuition Waiver	Population Tested Findings		100% % %		100% % %

Career Advancement Program Tuition Waiver	Population Tested Findings		100% % %		100% % %
High Technology Scholar/Intern Tuition Waiver	Population Tested Findings		100% % %		100% % %
<a href="#">DCF</a> Adopted Child Tuition Waiver and Fee Assistance Program	Population Tested Findings		100% % %		100% % %
DCF Foster Child Tuition Waiver and Fee Assistance Program	Population Tested Findings		100% % %		100% % %
Stanley Z. Koplik Certificate of Mastery Tuition Waiver	Findings Tested Findings		% % %		% % %
Commonwealth September 11, 2001 Tragedy Tuition Waiver	Population Tested Findings		100% % %		100% % %
Commonwealth Hurricane Katrina Emergency Tuition Waiver	Population Tested Findings		100% % %		100% % %
Valedictorian Tuition Waiver	Population Tested Findings		100% % %		100% % %
State University Internship Incentive Program	Population Tested Findings		100% % %		100% % %
Matching Student Aid Program	Population Tested Findings		100% % %		100% % %
National Guard Educational Assistance Program	Population Tested Findings		100% % %		100% % %
Children of Fallen Service Member Waiver Program	Population Tested Findings		100% % %		100% % %

**Independent Accountants' Report on Compliance with Specified Requirements  
Applicable to the Massachusetts Office of Student Financial Assistance Program  
Cluster  
(No noncompliance identified)**

Addressee  
(*Name of Entity*):

We have examined (*name of entity*)'s compliance with the following requirements as specified in The Massachusetts Office of Student Financial Assistance *Student Financial Assistance Attestation Guide, Sixth Edition*, during the year ended (*date*).

- Institutional eligibility
- Student eligibility
- Reporting
- Disbursements
- Refunds

Management is responsible for (*name of entity*)'s compliance with those requirements. Our responsibility is to express an opinion on (*name of entity*)'s compliance based on our examination.

Our examination was conducted in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about (*name of entity*)'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on (*name of entity*)'s compliance with specified requirements.

In our opinion, (*name of entity*) complied, in all material respects, with the aforementioned requirements during the year ended (*date*).

This report is intended solely for the use of the Massachusetts Department of Higher Education, [for public colleges add – the Office of the State Auditor and the Office of the State Comptroller] and the Board of Trustees and management of (*name of entity*), and is not intended to be and should not be used by anyone other than these specified parties.

(*Date*)

Reference: AICPA AT601.55-56

**Independent Accountants' Report on Compliance with Specified Requirements  
Applicable to the Massachusetts Office of Student Financial Assistance Program  
Cluster**

(Nonmaterial noncompliance identified)

Addressee

(*Name of Entity*):

We have examined (*name of entity*)'s compliance with the following requirements as specified in The Massachusetts Office of Student Financial Assistance *Student Financial Assistance Attestation Guide, Sixth Edition*, during the year ended (*date*).

- Institutional eligibility
- Student eligibility
- Reporting
- Disbursements
- Refunds

Management is responsible for (*name of entity*)'s compliance with those requirements. Our responsibility is to express an opinion on (*name of entity*)'s compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institution of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about (*name of entity*)'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on (*name of entity*)'s compliance with specified requirements.

In our opinion, (*name of entity*) complied, in all material respects, with the aforementioned requirements during the year ended (*date*). However, our examination disclosed instances of nonmaterial noncompliance, which are described in the accompanying Schedule of Findings and Questioned Costs as items (identify finding numbers).

This report is intended solely for the use of the Massachusetts Department of Higher Education, [for public colleges add – the Office of the State Auditor and the Office of the State Comptroller] and the Board of Trustees and management of (*name of entity*), and is not intended to be and should not be used by anyone other than these specified parties.

(*Date*)

**Independent Accountants' Report on Compliance with Specified Requirements  
Applicable to the Massachusetts Office of Student Financial Assistance Program  
Cluster**

(Material noncompliance identified)

Addressee  
(*Name of Entity*):

We have examined (*name of entity*)'s compliance with the following requirements as specified in The Massachusetts Office of Student Financial Assistance *Student Financial Assistance Attestation Guide, Sixth Edition*, during the year ended (*date*):

- Institutional eligibility
- Student eligibility
- Reporting
- Disbursements
- Refunds

Management is responsible for (*name of entity*)'s compliance with those requirements. Our responsibility is to express an opinion on (*name of entity*)'s compliance based on our examination.

Our examination was conducted in accordance with standards established by the American Institution of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about (*name of entity*)'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on (*name of entity*)'s compliance with specified requirements.

Our examination disclosed instances of material noncompliance, which are described in the accompanying Schedule of Findings and Questioned Costs as items (*identify finding numbers*).

In our opinion, except for the material noncompliance described in the preceding paragraph, (*name of entity*) complied, in all material respects, with the aforementioned requirements during the year ended (*date*).

This report is intended solely for the use of the Massachusetts Department of Higher Education, [for public colleges add – the Office of the State Auditor and the Office of the State Comptroller] and the Board of Trustees and management of (*name of entity*), and is not intended to be and should not be used by anyone other than these specified parties.

(Date)

**Independent Accountants' Report on Compliance with Specified Requirements  
Applicable to the Massachusetts Office of Student Financial Assistance Program  
Cluster**

(Material and Nonmaterial noncompliance identified)

Addressee

(*Name of Entity*):

We have examined (*name of entity*)'s compliance with the following requirements as specified in The Massachusetts Office of Student Financial Assistance *Student Financial Assistance Attestation Guide, Sixth Edition*, during the year ended (*date*).

- Institutional eligibility
- Student eligibility
- Reporting
- Disbursements
- Refunds

Management is responsible for (*name of entity*)'s compliance with those requirements. Our responsibility is to express an opinion on (*name of entity*)'s compliance based on our examination.

Our examination was conducted in accordance with standards established by the American Institution of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about (*name of entity*)'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on (*name of entity*)'s compliance with specified requirements.

Our examination disclosed instances of material noncompliance, which are described in the accompanying Schedule of Findings and Questioned Costs as items (identify finding numbers).

In our opinion, except for the material noncompliance described in the preceding paragraph, (*name of entity*) complied, in all material respects, with the aforementioned requirements during the year ended (*date*). However, our examination disclosed instances of nonmaterial noncompliance, which are described in the accompanying Schedule of Findings and Questioned Costs as items (identify numbers).

This report is intended solely for the use of the Massachusetts Department of Higher Education, [for public colleges add – the Office of the State Auditor and the Office of the State Comptroller] and the Board of Trustees and management of (*name of entity*), and is not intended to be and should not be used by anyone other than these specified parties.

(*Date*)

**Opinion on Financial Statements and Supplementary Schedule of  
Population, Items Tested, and Findings for Massachusetts State of Financial Aid  
Program Cluster**

Independent Accountant's Report

Addressee  
(*Name of Entity*)

We have audited the accompanying statement of financial position (statement of net assets of (*name of entity*) as of (*date*), and the related statements of activities (revenues, expenses and changes in net assets) and cash flows for the year then ended, and the related notes to the financial statements.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of (*name of entity*) as of (*date*), and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Population, Items Tested, and Findings for Massachusetts State Financial Aid Program Cluster is presented for purposes of additional analysis as required by the Massachusetts Office of Student Financial Assistance Compliance Attestation Guide, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material aspects, in relation to the financial statements as a whole.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility for the Audit of Financial Statements**

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of *(name entity)*'s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated *(date)* on our consideration of *(name of entity)*'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering *(name of entity)*'s internal control over financial reporting and compliance.

*Date*

**[Name of entity]**  
**Schedule of Findings and Questioned Costs**  
**for the Year Ended [insert date]**

**Section I—Summary of Auditor's Results**

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP [*unmodified, qualified, adverse or disclaimer*]:

---

Internal control over financial reporting:

Material weakness(es) identified?

\_\_\_\_\_ **yes**      \_\_\_\_\_ **no**

Significant deficiency(ies) identified?

\_\_\_\_\_ **yes**      \_\_\_\_\_ **none reported**

Noncompliance material to financial statements noted?

\_\_\_\_\_ **yes**      \_\_\_\_\_ **no**

**Federal Awards**

Internal control over major federal programs:

Material weakness(es) identified?

\_\_\_\_\_ **yes**      \_\_\_\_\_ **no**

Significant deficiency(ies) identified?

\_\_\_\_\_ **yes**      \_\_\_\_\_ **none reported**

Type of auditor's report issued on compliance for major federal programs [*unmodified, qualified, adverse or disclaimer*]:

---

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

\_\_\_\_\_ **yes**      \_\_\_\_\_ **no**

**State Awards**

Internal control over major state programs:

Material weakness(es) identified?

\_\_\_\_\_ **yes**      \_\_\_\_\_ **no**

Significant deficiency(ies) identified?

\_\_\_\_\_ **yes**      \_\_\_\_\_ **none reported**

Type of auditor's report issued on compliance for major state programs [*unmodified, qualified, adverse or disclaimer*]:

---

Any audit findings disclosed that are required to be

\_\_\_\_\_ **yes**      \_\_\_\_\_ **no**

reported in accordance with 2 CFR 200.516(a)?

Identification of major federal programs:

<u>Assistance Listing number(s)</u>	<u>Name of federal program or cluster</u>

Dollar threshold used to distinguish between Type A and Type B programs: \$ \_\_\_\_\_

Auditee qualified as low-risk auditee? \_\_\_\_\_ **yes** \_\_\_\_\_ **no**

**Section II—Financial Statement Findings**

<u>Criteria</u>	
<u>Condition</u>	
<u>Cause</u>	
<u>Effect or potential effect</u>	
<u>Recommendation</u>	
<u>Views of responsible officials</u>	
<u>Conclusion</u>	

**Section III—Federal Award Findings and Questioned Costs**

<u>Identification of the federal program:</u>	
---	--

Criteria or specific requirement (including statutory, regulatory or other citation)

Condition:

Cause

Effect or potential effect

Questioned costs:

Context:

Identification as a repeat finding, if applicable

Recommendation

Views of responsible officials:

Conclusion

**Example Entity**  
**Summary Schedule of Prior Findings**

<b>Reference</b>	<b>Year Ended (date)</b>	<b>Summary of Findings</b>	<b>Status</b>	<b>Planned/Partial Corrective Action Plan</b>
0X-01	XXXX	Description of findings and questioned costs	Not Corrected (see note 1)	Description of reasons for recurrence and planned corrective action:  Contact person(s):  Anticipated completion date:  Explanation if disagreed:
0X-02	XXXX	Description of findings and questioned costs	Corrected	Contact person(s):  Anticipated completion date:

Note: Listed planned corrective actions above or partial corrective action taken.

## Corrective Action Plan Template

### Identified Issue(s):

- *Provide a concise summary of the audit findings or identified issues for each.*
- *Provide sufficient detail so that an individual who has not read the audit report or reviewed the financial statements will be given a clear understanding of the issues.*

### Reference Number: (Insert Reference Number)

### Corrective Action Plan:

- *Specify the corrective measures being taken to address each identified finding or issues.*
- *If the measures being taken are not those recommended by the auditor, note that fact and include an explanation.*

### Action Deemed Successful When:

- *Describe how success will be measured or verified.*

### Monitoring Plan:

- *Describe how ongoing compliance will be ensured.*

### Implementation Date: xx/xx/xxxx

### Responsible Person(s): (Name & Title)

### Anticipated Completion Date: xx/xx/xxxx

### Disagreement Explanation (if applicable):

- *If the auditee does not agree with the audit findings or believes corrective action is not required, provide an explanation and specific reasons.*

## **APPENDIX C: Massachusetts OSFA Program Descriptions**

Below, we have provided brief descriptions of the Massachusetts State financial aid programs. All Massachusetts State financial aid programs are subject to inclusion in the audit samples that auditors use in the preparation of a Compliance Attestation Report of Massachusetts State financial aid programs, as long as they were administered by the institution during the compliance attestation period in question. A complete set of Massachusetts State financial aid programs is below along with their respective descriptions, statutory references, and links to their guidelines within the OSFA website:

### **1. Agnes M. Lindsay Scholarship Program**

*Summary:* Provides financial assistance to students from rural areas attending public institutions in Massachusetts, excluding UMass Amherst. Awards are based on financial need, with institutions nominating up to five (5) candidates annually. The OSFA reviews nominations, selects recipients, and handles payments.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* 7A of Chapter 65 of the Acts of 1984

### **2. Career Advancement Program Tuition Waiver**

*Summary:* Supports public school teachers in Massachusetts during their first three (3) years of teaching. Eligible teachers who have passed all three (3) components of the Massachusetts Teachers Test can receive tuition waivers for up to three (3) state-supported graduate courses, one (1) for each of their first three (3) years of teaching. The waiver aims to help retain new teachers by providing career advancement opportunities.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 19

### **3. Categorical Tuition Waivers**

*Summary:* Part of the Single Tuition Waiver Program, designed to maintain access to Massachusetts' public colleges and universities by providing financial support to individuals who might not otherwise have the opportunity to pursue higher education. Students must belong to one (1) of several eligible categories, including veterans, Native Americans, senior citizens, active members of the Armed Forces stationed in Massachusetts, and clients of the Massachusetts Rehabilitation Commission or Commission for the Blind.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s.19

### **4. Children of Fallen Service Member Waiver Program**

*Summary:* Provides financial assistance to children of deceased members of the U.S. Armed Forces or Massachusetts National Guard who lost their lives on or after January 1, 1989, while engaged in hostilities or military conflicts outside the United States. Eligible students can receive tuition and fee waivers for up to 130 undergraduate credits towards a bachelor's degree at Massachusetts public colleges or universities. Full-time students may also receive waivers for room and board charges while living on campus.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 19

## **5. Christian A. Herter Memorial Scholarship Program**

*Summary:* The Christian Herter Memorial Scholarship program annually offers scholarship to twenty-five students of extraordinary need and ability selected in the tenth or eleventh grades by persons or agencies designated by the Department of Higher Education and set forth under the regulations of this program.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 16

## **6. Collaborative Teachers Tuition Waiver**

*Summary:* This program encourages public school teachers in Massachusetts to mentor full-time student teachers from public colleges and universities, by offering tuition waivers for up to one (1) graduate-level course for each student teacher mentored. The waiver can be used for courses in education or related fields at state universities and the University of Massachusetts campuses.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 19

## **7. Commonwealth September 11, 2001 Tragedy Tuition Waiver**

*Summary:* Provides a one hundred percent tuition waiver for Massachusetts children and widowed spouses directly affected by the September 11 events. Eligible individuals must be the spouse or child of a Massachusetts resident who died or is missing and presumed dead as a direct result of the September 11, 2001, terrorist attacks. The waiver applies to any state-supported course or program offered by Massachusetts public colleges or universities.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 19

## **8. Completion Incentive Grant Fund**

*Summary:* A pilot program designed to increase graduation and success rates for low-income students enrolled in certificate or degree programs at Massachusetts public colleges and universities. The program provides incentive grants based on credits completed each semester.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 9B

## **9. Cooperative Association of States for Scholarships Program Tuition Waiver**

*Summary:* Supports non-resident students enrolled in eligible institutions under the CASS program, funded by the United States Agency for International Development. Eligible institutions include Berkshire Community College and others approved by the Board of Higher Education.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 19

## **10. DCF Adopted Child Tuition Waiver and Fee Assistance Program**

*Summary:* Provides a one hundred percent waiver of tuition and fees for state-supported courses at Massachusetts public institutions of higher education for children and young adults, age 24 or under, adopted through the Department of Children and Families (DCF) by state employees or eligible Massachusetts residents.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

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*Statutory reference: M.G.L. c. 15A s. 19*

### **11. DCF Foster Child Tuition Waiver and Fee Assistance Program**

*Summary:* Provides financial support for children in state custody who were neither adopted nor returned home. The waiver covers state-supported undergraduate degree, certificate, short-term certificate, and non-credit courses at Massachusetts public colleges and universities.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference: M.G.L. c. 15A s. 19*

### **12. Early Childhood Educator's Scholarship**

*Summary:* Provides financial assistance for prospective and currently employed early childhood and out-of-school educators in Massachusetts. Eligible students be enrolled in an undergraduate or graduate degree program in fields such as Early Childhood Education, Child Development, Family Studies, Child Care Administration, Social Work, Psychology, Special Education, Human Services, or related areas. The scholarship aims to increase the quality and availability of educators working with young children and youth in inclusive settings.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference: M.G.L. c.15D, s. 5*

### **13. General Scholarship Program (MASSGrant)**

*Summary:* MASSGrant is a grant assistance program funded by appropriations from the Massachusetts State Legislature. The program provides need-based financial assistance to undergraduate students who reside in Massachusetts and who are enrolled in and pursuing a program of higher education in any approved public or independent college, university, school of nursing, or any other approved institution furnishing a program of higher education. The MASSGrant provides financial assistance to Massachusetts students demonstrating the greatest financial needs.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference: M.G.L. c.15A s. 9B, 16, 19, 19D*

### **14. Graduate Student Tuition Waiver**

*Summary:* The Graduate Student Tuition Waiver is part of the Single Tuition Waiver program, providing incentives for individuals to enroll in graduate programs at Massachusetts public colleges and universities. The waiver covers tuition for eligible graduate programs, aiming to improve student quality and maintain collaboration within the public higher education system.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference: M.G.L. c. 15A s. 19*

### **15. High Technology Scholar/Intern Tuition Waiver**

*Summary:* Incentivizes business and industry to support students in computer information technology, science, and engineering through scholarships and internships. The program matches industry scholarships with full tuition waivers, providing real-life experience through internships.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference: M.G.L. c. 15A s. 19*

## **16. Incentive Program for Aspiring Teacher Tuition Waiver**

*Summary:* The program aims to attract qualified high school students to the teaching profession by providing four-year tuition and fee scholarships. They must be enrolled in state-approved teacher education programs in fields with demonstrated teacher shortages and commit to teaching for two (2) years in a Massachusetts public school upon graduation and certification.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 19

## **17. John and Abigail Adams Scholarship**

*Summary:* A merit-based program that provides a credit toward tuition for up to eight (8) semesters of undergraduate education at Massachusetts state colleges and universities. Eligibility is based on student scores on the 10th grade Massachusetts Comprehensive Assessment System (MCAS) test.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 29 s 2UUU

## **18. Massachusetts Education Financing Authority Prepaid Tuition Waiver ([MEFA](#))**

*Summary:* The program supports students participating in MEFA's 'U.Plan Prepaid Tuition Program'. This program allows public institutions of higher education in Massachusetts to waive the amount of tuition that exceeds the credit received through the MEFA Prepaid Tuition Program. Eligible students must be admitted to a participating public institution and be owners or qualifying beneficiaries of the MEFA Prepaid Tuition Program.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 19

## **19. Massachusetts Foster Child Grant**

*Summary:* The Massachusetts Foster Child Grant Provides financial assistance to foster children in state custody who were neither adopted or returned home and are attending post-secondary institutions in the Commonwealth of Massachusetts or the continental United States. Students who are eligible for the Massachusetts foster child grant can receive a maximum amount per academic year for not more than 5 consecutive years. In all cases, awards must be made as "last dollar"<sup>9</sup> grants, with eligibility determined after consideration of all other state, federal and institutional scholarship and grant resources.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 9, Chapter 384 of the Acts of 2000, Line-item 7066-0016

## **20. Massachusetts [GEAR UP](#) Scholarship**

*Summary:* The scholarship is part of a national initiative aimed at increasing college awareness and readiness among students. It provides financial aid to eligible undergraduate students who have participated in the GEAR UP Massachusetts Early Intervention program. The scholarship can be used at state-approved public, private, independent, for-profit, or non-profit institutions within Massachusetts or in states with reciprocity agreements.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

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<sup>9</sup>Last dollar grants cover the remaining cost of tuition or fees after all other financial aid is applied.

*Statutory reference: Chapter 2 of the 1998 Amendments to the Higher Education Act of 1965.  
Federal Grant program – no specific Massachusetts law*

## **21. Massachusetts High Demand Scholarship**

*Summary:* The program was established by the Massachusetts Legislature to support economic growth and development by encouraging degree completion in high-demand fields. This scholarship provides financial assistance to students pursuing degrees in disciplines such as STEM (Science, Technology, Engineering, Math), Health Professions, Education, Social Work, Criminal Justice, Economics, and Business.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference: Section 2 of Chapter 139 of the Acts of 2012 Line-item 7070-0066, M.G.L. Ch 15A s. 9B*

## **22. MassTransfer Tuition Waiver Program**

*Summary:* Provides a tuition credit to students who have completed an associate degree at a Massachusetts public community college and are enrolled in a state university or University of Massachusetts campus. The tuition credit is valid for two (2) years of continuous enrollment, provided the student maintains a cumulative 3.0 GPA during their first year at the four-year institution.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference: M.G.L. c. 15A s. 9(i) and 19*

## **23. Matching of Scholarship Grants (Gilbert Grant)**

*Summary:* The Gilbert Matching Scholarship makes funds available to participating Massachusetts's independent institutions of higher education and schools of nursing. At least one hundred percent must be used for direct financial assistance to needy Massachusetts undergraduate students to enable such students to attend or continue to attend such institutions.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference: M.G.L. c. 15A s. 16*

## **24. National Guard Tuition & Fee Assistance**

*Summary:* Provides financial aid to members of the Massachusetts National Guard for their educational pursuits. Eligible soldiers and airmen can receive tuition and fee waivers at any state-supported institution in Massachusetts, as well as Federal Tuition Assistance ([FTA](#)) for courses at accredited institutions.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference: Chapter 130 of the Acts of 2005*

## **25. Need-Based Financial Assistance (Cash Grant)**

*Summary:* The Cash Grant program is designed to assist needy students in meeting institutionally held charges such as mandatory fees and non-state-supported tuition. It is a complementary program to the Need-Based Tuition Waiver 18 Program for the purpose of providing financial support to those individuals who would be denied the opportunity for higher education, without such assistance.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference: M.G.L. c. 15A s. 9B*

## **26. Need-Based Tuition Waiver**

*Summary:* The program was established in 1981 to help offset tuition increases and ensure that higher education remains accessible to all Massachusetts residents. This program provides tuition waivers to eligible students who demonstrate financial need, as determined by federal methodology. An underlying goal of the program is that future public sector tuition increases would be matched with an increase in the maximum award for the financially neediest students.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference: M.G.L. c. 15A s. 19*

## **27. No Interest Loan Program**

*Summary:* The NIL program is designed to provide eligible needy Massachusetts residents attending post-secondary educational institutions in Massachusetts with a state funded loan. Administered by the Massachusetts OSFA, the NIL program offers zero interest loans to assist in meeting educational costs. There will be a stated maximum of years the student has until they would need to pay off the loan.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference: M.G.L. c. 15A s. 9*

## **28. One Family Inc. Scholarship**

*Summary:* The scholarship was established by the Massachusetts Legislature to assist heads of households in achieving their academic goals. This scholarship provides financial assistance to single parents with low incomes who are pursuing a college degree in Massachusetts. Recipients receive individualized academic and career coaching, as well as funds to cover tuition, fees, laptops, textbooks, and other school supplies.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference: Chapter 45 of the Acts of 2005, Items 7070-0065*

## **29. Paraprofessional Teacher Preparation Grant**

*Summary:* The Paraprofessional Teacher Preparation Grant is designed to encourage and assist paraprofessionals who wish to become certified to teach full-time in Massachusetts's public schools. Students who are eligible under the program can receive monetary coverage per credit at a University of Massachusetts, private university or community college.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference: M.G.L. c. 15A s. 16*

## **30. Part-Time Student Grant Program**

*Summary:* The Part-Time Grant program is a grant assistance program that provides need based financial assistance to part-time students who reside in Massachusetts and who are enrolled in a program of higher education in any approved public, private, independent, for profit or nonprofit, institution in the commonwealth of Massachusetts.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference: M.G.L. c. 15A s. 16*

### **31. Public Service Scholarship Program**

*Summary:* The Public Service Scholarship program is a non-need based grant program that has been established to provide educational opportunity to the family members upon the loss of a parent and or spouse who is killed or missing in the line of public service duty in the Commonwealth of Massachusetts.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 16

### **32. Scholar-Internship Match Fund**

*Summary:* The fund was established to provide matching funds for industry scholarships and internships awarded to Massachusetts students pursuing post-secondary degrees at public higher education institutions in the state. This program aims to support students in high-demand [STEM](#) fields by linking academic programs with relevant work experience, thereby contributing to the economic development of the Commonwealth.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 29 s. 2UUU

### **33. Senator Paul E. Tsongas Scholarship Tuition Waiver**

*Summary:* A merit-based program designed to reward high-achieving Massachusetts students. This program is made for students with a high school GPA of 3.75 and competitive SAT scores of at least 1200 (or [ACT](#) equivalent). Eligible students receive a waiver of tuition and mandatory fees at one (1) of the Massachusetts state universities.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 19

### **34. Stanley Koplik Certificate of Mastery Tuition Waiver**

*Summary:* A merit-based program that awards tuition credits to high-achieving Massachusetts students. This waiver is specific to students who score "Advanced" on at least one (1) grade 10 [MCAS](#) test subject and "Proficient" on the remaining sections, and fulfill additional requirements through combinations of AP exams, SAT II exams, or other achievements. The waiver provides tuition credits at state universities and community colleges, with specific award amounts varying by institution.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 19

### **35. State University Internship Incentive Program**

*Summary:* The program promotes and supports increased student participation in employer-sponsored internships at Massachusetts state universities. This program aims to raise awareness and interest among a diverse community of students in career opportunities related to their academic programs. It also contributes to increased program completion and graduation rates.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 9 and 9B; Section 2 of Chapter 139 of the Acts of 2012 (Item 7066-000)

### **36. University of Massachusetts Academic and Artistic Talent Program Tuition Waiver**

*Summary:* The program is designed to support students who demonstrate exceptional academic or artistic abilities. This program provides tuition waivers to eligible students enrolled in undergraduate programs at any University of Massachusetts campus. The waiver covers tuition costs, helping to reduce the financial burden on talented students and encouraging them to pursue their educational goals within the state.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 19

### **37. University of Massachusetts Division I Athletic Program Tuition Waiver**

*Summary:* The program provides financial assistance to student-athletes participating in Division I sports at any University of Massachusetts campus. This program aims to support the academic and athletic pursuits of talented student-athletes by waiving tuition costs.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 19

### **38. University of Massachusetts (UMASS) Exchange Program Tuition Waiver**

*Summary:* The program encourages cooperative learning contracts between UMASS and other institutions, allowing students to receive comparable waivers for cross-institution registration. Under this program, UMASS students can attend exchange institutions without tuition charges, and exchange students can attend UMASS without tuition charges or with payment at in-state rates to their home institution. These exchange programs are limited and involve only institutions with which the University has signed a cooperative learning contract and where the University feels the experience of the exchange program significantly enhances the learning experience of the students who participate.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 19

### **39. Valedictorian Program Tuition Waiver**

*Summary:* The program is designed to attract and enroll Massachusetts high school students who have been designated as valedictorians. This program allows these top-ranking students to receive a full tuition waiver at any public higher education institution in Massachusetts.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 19

### **40. Washington Center Program Tuition Waiver**

*Summary:* The program provides financial assistance to Massachusetts students participating in internships and academic seminars through the Washington Center. This program aims to enhance students' academic, civic, and professional development by leveraging the resources of the nation's capital. Internship placements include positions in government offices, communication organizations, law firms, trade and professional associations, human right groups and a variety of companies and other organizations. Internships are coupled with required academic courses.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 19

#### **41. Massachusetts In-Demand Scholarship Program**

*Summary:* The program was created to support economic development by providing financial assistance to residents who are pursuing programs of study that will help address the Commonwealth's workforce needs. The program provides scholarships to students to encourage enrollment and completion of training and degree programs identified by the Massachusetts Executive Office of Labor and Workforce Development's annual reports on labor market conditions, who intend to remain in the Commonwealth to pursue their professional careers.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A s. 9, as amended by Section 11 of Chapter 28 of the Acts of 2023

#### **42. Community College Nursing Scholarship**

*Summary:* The program is designed to attract and support a diverse population of students pursuing nursing credentials at Massachusetts community colleges. This program provides "last dollar" financial assistance to cover the direct costs of tuition, fees, and books for eligible students enrolled in approved nursing programs towards a certificate or associate degree at a public community college.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* Item 1596-2433, c. 28 Mass. Acts 2023

#### **43. Educator Loan Repayment Program**

*Summary:* The program provides financial assistance to educators with outstanding student loans. This program aims to support teachers in high-need areas and subjects, helping to alleviate the financial burden of their educational expenses. The program prioritizes the recruitment and retention of a racially, culturally, ethnically, and linguistically diverse educator workforce consistent with M.G.L. chapter 132 of the acts of 2019 to diversify the educator workforce.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. chapter 132 of the acts of 2019

#### **44. Free Community College Program—MassReconnect**

*Summary:* The program in Massachusetts offers free community college tuition and fees for both part-time and full-time students aged 25 and older who have not previously earned a college degree. This initiative aims to provide financial support to help cover the costs of tuition, fees, books, and supplies, thereby removing barriers to higher education. Students also receive an additional allowance and support award for books and supplies and other approved costs to mitigate barriers.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A, s. 16, Item 1596-2418, C. 28 Mass. Acts 2023

#### **45. Behavioral Health Workforce Scholarship**

*Summary:* The program provides financial incentives to students pursuing graduate-level degrees or certificates in behavioral health fields. This initiative aims to increase the pool of qualified behavioral health professionals by supporting their education and career development.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* Section 2, Item 4000-0054, C. 28 Mass. Acts 2023

#### **46. MassEducate**

*Summary:* The program provides free community college tuition and fees for all eligible students, regardless of age or income. Building on the success of MassReconnect, MassEducate covers the full cost of tuition and fees for students enrolled in at least six credits per semester in an approved program leading to an associate degree or certificate. Additionally, students may qualify for allowances for books and supplies based on income level.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A, s. 16, Item 1596-2432, C. 28 Mass. Acts 2023

#### **47. MASSGrant Plus**

*Summary:* The program provides financial aid to income-eligible undergraduate students who reside in the state and are enrolled in an approved degree or certificate program at a public college or university. This program covers any unmet financial need for tuition and mandatory fees after accounting for the federally calculated expected family contribution and other financial aid. It does not include room and board but does provide funds for other costs and provides an allowance for books and supplies.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A, s. 16, Item 7070-0065, C. 28 Mass. Acts 2023

#### **48. Support For Behavioral Health Field Placements Program**

*Summary:* The program provides grants to public and private higher education institutions to cover the cost of required internship credit hours and attendance supports for students pursuing bachelor's or master's degrees in behavioral health fields. This initiative aims to increase the pool of qualified behavioral health professionals by supporting their hands-on training in high-need settings.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* Section 2, Item 4000-0054, C. 28 Mass. Acts 2023

#### **49. Tomorrows Teachers Scholarship**

*Summary:* The program aims to address the teacher shortage by providing financial assistance to students pursuing undergraduate or post-baccalaureate degrees in education. This scholarship aims to cover costs in relation to tuition, fees, and related educational costs for those enrolled in approved educator preparation programs at public institutions within the Commonwealth.

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A, s. 19

#### **50. MASSGrant Plus Expansion**

*Summary:* This expansion aims to cover the costs of tuition, fees, and, in some cases, books and supplies for eligible students attending public two-year or four-year colleges or universities within the Commonwealth. Students who meet the eligibility requirements and enroll in an approved program of study at a Massachusetts public four-year college or university may receive up to half the cost of tuition and fees towards a bachelor's degree

*Link to guideline:* [Office of Student Financial Assistance / Massachusetts Department of Higher Education](#)

*Statutory reference:* M.G.L. c. 15A, s. 16