

**\*3.10.3** The institution audits financial aid programs as required by federal and state regulations. **(Financial aid audits)**

USC has contracted with Elliott Davis, LLC, to conduct the annual audit of federal award programs as required by the Office of Management and Budget (OMB) Circular A-133. The University's federal student aid is considered a major program. The University also participates in the state scholarship and grant programs. These programs are periodically audited by the South Carolina Commission on Higher Education. The last audit by the Commission included state scholarships, sponsored research/public service expenditures, and admission standards for first-time freshmen and provisional students and covered the fiscal year ended June 30, 2005.

The On-Site Review Committee conducted interviews and reviewed pertinent documentation in support of the institution's case for compliance and sustained the OffSite Reaffirmation Committee's findings.