

Monroe County Community College

Federal Awards  
Supplemental Information

*Year Ended June 30, 2024*

Monroe County Community College

Federal Awards  
Supplemental Information

Year Ended June 30, 2024

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Independent Auditor's Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards*

Board of Trustees  
Monroe County Community College  
Monroe, Michigan

We have audited, 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, the financial statements of Monroe County Community College (College) and its discretely presented component unit, Monroe County College Foundation (Foundation), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated November 7, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

A *deficiency in internal control* 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 and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the College's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be significant deficiencies.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the College's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **College's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the College's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The College's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Andrew Hooper Pavlik PLC*

Bloomfield Hills, Michigan

November 7, 2024

Independent Auditor's Report on Compliance for Each Major Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Board of Trustees  
Monroe County Community College  
Monroe, Michigan

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Monroe County Community College's (College) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the College's major federal programs for the year ended June 30, 2024. The College's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the College's compliance with the compliance requirements referred to above.

## ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the College's federal programs.

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the College's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the College's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the College's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2024-002. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the College's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of Monroe County Community College and its discretely presented component unit, Monroe County Community College Foundation (Foundation), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements. We issued our report thereon dated November 7, 2024, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic 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 basic financial statements.

The 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Andrews Hooper Pavlik PLC*

Bloomfield Hills, Michigan  
February 19, 2025



# Monroe County Community College

## Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

Federal Agency/Pass-Through Agency/Program Title	Assistance Listing Number	Pass-Through Entity Project/Grant Number	Federal Expenditures
<u>Major Programs</u>			
U.S. Department of Education:			
Student Financial Assistance Cluster - Direct Program:			
Federal Direct Student Loan Program	84.268	P268K241643	\$ 2,492,778
Federal Pell Grant Program	84.063	P063P231643	2,766,761
Federal Work-Study Program	84.033	P033A232048	12,206
Federal Supplemental Educational Opportunity Grants Program	84.007	P007A232048	49,900
Total Student Financial Assistance Cluster			5,321,645
TRIO Cluster - Direct Program:			
Upward Bound - Monroe	84.047	P047A220499	283,881
Upward Bound - Airport	84.047	P047A220501	316,397
Upward Bound - Jefferson	84.047	P047A220500	284,872
Total TRIO Cluster			885,150
Total U.S. Department of Education			6,206,795
U.S. Department of Treasury:			
(passed through MiLEAP)			
Reconnect Age Expansion	21.027	SLFRP0127	189,687
(passed through the Michigan Community College Association)			
Academic Catch-up Program	21.027	SLFRP0127	47,469
Total U.S. Department of Treasury			237,156
Total Major Programs			6,443,951
<u>Other Federal Awards</u>			
U.S. Department of Education:			
Career and Technical Basic Grants to States:			
(passed through the Michigan Department of Education)			
Local Administration	84.048A	243250	8,637
Regional Allocation	84.048A	243510	225,336
Total Career and Technical Basic Grants to States			233,973
Title III - Higher Education Institutional First Year Experience Program - Direct Program	84.031A	P031A220120	365,130
Total U.S. Department of Education			599,103
U.S. National Science Foundation:			
Research and Development Cluster:			
(passed through the University of Michigan)			
Welding Grant	47.076	2000730/SUBK00012139	26,708
Total U.S. National Science Foundation			26,708
Total Research and Development Cluster			26,708
U.S. Department of Labor, Employment, and Training Administration			
(passed through Southeast Michigan Community Alliance)			
Apprenticeship Building America Grant Program	17.285	AP-38901-22-60-A-26	23,574
H-1B Job Training Grant			
(passed through Oakland Community College)			
H-1B Job Training Grant	17.268	HG34346-20-60-A-26	33,394
(passed through Southeast Michigan Community Alliance)			
H-1B Job Training Grant	17.268	HG35907-21-60-A-26	38,941
Total H-1B Job Training Grant			72,335
Total U.S. Department of Labor, Employment, and Training Administration			95,909
U.S. Department of Justice:			
COPS - Criminal Justice Grant - Direct Program	16.710	15JCOPS-22-GG-01511-TECP	62,429
Total U.S. Department of Justice			62,429
Total Other Federal Awards			784,149
Total Expenditures of Federal Awards			\$ 7,228,100

*See Notes to Schedule of Expenditures of Federal Awards.*

# Monroe County Community College

## Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2024

### Note 1. Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal awards (schedule) includes the federal grant activity of Community College District of Monroe County, Michigan d/b/a Monroe County Community College (College) under programs of the federal government for the year ended June 30, 2024. Expenditures reported on the schedule are reported on the same basis of accounting as the financial statements, although the basis for determining when federal awards are expended is presented in accordance with the requirements of the Uniform Guidance. In addition, expenditures reported on the schedule are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented, or used, in the preparation of the financial statements.

Because the schedule presents only a selected portion of the operations of Monroe County Community College, it is not intended to, and does not present the financial position, changes in net position, or cash flows, of Monroe County Community College.

The College's reporting entity is defined in Note 1 to the College's financial statements. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies is included on the schedule.

### Note 2. Federal Family Education Loans

The Federal Family Education Loans (Assistance Listing #84.032) reported on the schedule of expenditures of federal awards is comprised of the following at June 30, 2024:

<u>Federal Program</u>	<u>Amount</u>
Stafford subsidized	\$ 988,470
Stafford unsubsidized	1,467,827
Plus	36,481
	<u>\$ 2,492,778</u>

### Note 3. Indirect Cost Allocation

For purposes of charging indirect costs to federal awards, the College has elected not to use the 10 percent de minimis cost rate as permitted by §200.414 of the Uniform Guidance.

Monroe County Community College

Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

Section I – Summary of Auditor’s Results

**Financial Statements**

Type of auditor’s report issued:	<u>Unmodified</u>		
Internal control over financial reporting:			
Material weakness identified?	<u>          </u> Yes	<u>  X  </u> No	
Significant deficiency identified not considered to be material weakness?	<u>  X  </u> Yes	<u>          </u> None reported	
Noncompliance material to financial statements noted?	<u>          </u> Yes	<u>  X  </u> No	

**Federal Awards**

Internal control over major programs:			
Material weakness identified?	<u>          </u> Yes	<u>  X  </u> No	
Significant deficiency identified not considered to be material weakness?	<u>          </u> Yes	<u>  X  </u> None reported	
Type of auditor’s report issued on compliance for major programs:	<u>Unmodified</u>		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	<u>          </u> Yes	<u>  X  </u> No	

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Cluster and Federal Programs</u>
	Student Financial Assistance Cluster:
84.268	Federal Direct Student Loan Program
84.063	Federal Pell Grant Program
84.033	Federal Work Study
84.007	Federal Supplemental Educational Opportunity Grants
	TRIO Cluster:
84.047	Upward Bound
21.027	Reconnect Age Expansion
21.027	Academic Catch-up Program

Dollar threshold used to distinguish between Type A and Type B programs:	<u>  \$750,000  </u>		
Auditee qualified as low-risk auditee?	<u>          </u> Yes	<u>  X  </u> No	

Monroe County Community College

Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

Section II – Financial Statement Findings

Reference Number	Finding
2024-001	<p><i>Finding Type</i> – Significant deficiency</p> <p><i>Criteria</i> – Proper procedures should be put into place at year end to properly report plant fund activity, accrued liabilities, due to/from accounts, and restricted grants.</p> <p><i>Condition</i> – During the audit, we noted that the plant fund, including leases and subscription-based technology information arrangements had not been reviewed for proper year-end reporting. In addition, there was an accrued liability account that was understated, due to/from account did not balance to zero, and a restricted grant had not been properly recorded.</p> <p><i>Cause</i> – This condition is the result of turnover in the accounting and finance department and not having proper procedures in place to ensure final adjustments are made for year-end reporting.</p> <p><i>Effect</i> – The trial balance was not complete and resulted in journal entries being proposed by the auditors.</p> <p><i>Recommendation</i> – We recommend the College create a formal year end closing process to ensure the trial balance has been adjusted for year-end entries, particularly for capital asset activity, leases, subscription-based information technology arrangements, accrued liabilities, due to/from accounts, and grants.</p> <p><i>Views of Responsible Officials and Planned Corrective Actions</i> – We concur with the auditor’s recommendation to create a more formalized year end closing process that will ensure the trial balance has been adjusted for the year-end closing entries. Certain corrective actions have already started, and we anticipate having a formalized closing process in place for the items noted above by May 1, 2025.</p>

Monroe County Community College

Schedule of Findings and Questioned Costs

Year Ended June 30, 2024

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
2024-002	<p data-bbox="370 554 1432 659"><i>Identification of Federal Program</i> – All programs listed on the Schedule of Expenditure of Federal Awards, see that schedule for identification of federal program information.</p> <p data-bbox="370 699 1432 951"><i>Finding</i> – As noted in Section II – Financial Statement Findings of this report, proper procedures should be put into place at year end to properly report plant fund activity, accrued liabilities, due to/from accounts, and restricted grants. This finding could impact Federal Awards and is therefore considered a finding in Section III – Federal Award Findings and Questioned Costs. Refer to Reference Number 2024-001 for further details of this finding and the views of responsible officials and planned corrective actions.</p>

Monroe County Community College

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2024

Reference Number	Finding
2023-001	<p><i>Finding Type</i> – Significant deficiency</p> <p><i>Criteria</i> – Proper approval of manual journal entries should be established to ensure proper financial reporting.</p> <p><i>Condition</i> – During the audit, we noted that there is no formal review and approval process for manual journal entries. The College allows certain individuals the right to prepare and post journal entries without any review or approval.</p> <p><i>Context</i> – Through inquiry and testing, we noted that there was no review or approval on manual journal entries. In addition, we noted that some employees had the ability to prepare journal entries and then also post them to the general ledger.</p> <p><i>Cause</i> – This condition is the result of a lack of a process that provides segregation of duties and proper approval.</p> <p><i>Effect</i> – Journal entries were posted in error and may cause improper financial reporting if undetected.</p> <p><i>Recommendation</i> – We recommend the College create a formal journal entry review and approval process that will detail an authorized approval signature for every manual journal entry made into the Colleague system. Also, we recommend the College set up controls in which employees who create, review, and approve journal entries do not also have the capabilities to enter journal entries into the software.</p> <p><i>Current Status</i> – During the current year, we found that procedures had been put into place to properly review and approve journal entries and no exceptions were noted during our journal entry testing. In addition, management continues to enhance the journal entry review and approval process. This is no longer considered a finding.</p>
2023-002	<p><i>Finding Type</i> – Significant deficiency</p> <p><i>Criteria</i> – The Information Technology environment of the College should be reviewed to ensure policies and procedures are up to date.</p> <p><i>Condition</i> – During the audit, we noted the College does not have a formal Information Security Program, user access is not reviewed on an annual basis, and there is no formal Disaster Recovery or Business Continuity Plan in place.</p>

Monroe County Community College

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2024

Reference Number	Finding
2023-002 (continued)	<p><i>Context</i> – Through inquiry and testing, we noted that there was no formal Information Security Program or Disaster Recovery or Business Continuity Plan. In addition, there was no user access review being conducted.</p> <p><i>Cause</i> – This condition is the result of proper policies and procedures not being in place.</p> <p><i>Effect</i> – Without an Information Security Program, Disaster Recovery Plan, and a Business Continuity Plan, the College may be unaware of risk surrounding the Information Technology environment. When user access controls are not monitored, unauthorized users may have access to software modules or other information technology applications that they should be restricted from.</p> <p><i>Recommendation</i> – We recommend that the College develop a formal information Security Program, review user access annually, and develop a formal Disaster Recovery and Business Continuity Plan.</p> <p><i>Current Status</i> – During the current year, we noted that the College is in process of developing a formal information Security Program, which will include review of user access, and a formal Disaster Recovery and Business Continuity Plan. These matters will be implemented and tested during fiscal year 2025. This is no longer considered a finding.</p>
2023-003	<p><i>Finding Type</i> – Significant deficiency</p> <p><i>Criteria</i> – Management is responsible for maintaining its accounting records in accordance with generally accepted accounting principles.</p> <p><i>Condition</i> – During the audit, we noted that due to/from accounts did not balance, which caused grant funds to be out of balance; the deferred outflow of resources for pensions was misstated by \$1.7 million during the prior year; and state grant receipts were being applied to wrong accounts, causing a \$721,000 overstatement of receivables and deferred revenue in the prior year.</p> <p><i>Context</i> – The prior year misstatements were not identified by the Director of Finance at that time and the due/to from accounts were not reconciled and individual fund properly balanced.</p> <p><i>Cause</i> – This condition is a result of a lack of proper procedures around account reconciliations related to due to/from accounts and grant accounts, and proper year-end accounting for pensions in accordance with GASB 68.</p>

Monroe County Community College

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2024

Reference Number	Finding
2023-003 (continued)	<p><i>Effect</i> – Audit adjustments were identified to correct the due to/from accounts; these audit adjustments had no impact on net income. Audit adjustments were also made for the deferred outflow of resources for pensions by restating the prior year financial statements and reclassifying the receivables and deferred revenue in the prior year financial statements.</p> <p><i>Recommendation</i> – We recommend the College establish a review process to review the journal entries made during the year to the due to/from accounts and the grant funds, to ensure that the due to/from accounts balance to zero at all times and that the individual grant funds balance. We also recommend the College properly review and reconcile the pension accounts at year end to ensure that items after the measurement date, such as contributions received, are properly deferred until the next fiscal year. And lastly, we recommend that the College reconcile pass-through scholarship accounts to ensure that they are being reimbursed accurately and that they are reporting the correct receivable balances for each program. In addition, deferred revenue accounts should not be used for transactions when no revenue is going to be subsequently recognized.</p> <p><i>Current Status</i> – During the current year, we noted that the College’s due to/from accounts did not balance to zero and there was a reporting issue with one of the pass-through grants. All other matters were resolved, and no exceptions were noted in our audit testing. The due to/from account and grant matter were included in 2024-01 earlier in this report. Therefore, 2023-003 is no longer considered a finding.</p>
2023-004	<p><i>CFDA Number, Federal Agency, and Program Name</i> – 84.063, Department of Education, Federal Pell Grant</p> <p><i>Federal Award Identification Number and Year</i> – P063P211643, 2023</p> <p><i>Pass-through Entity</i> – N/A</p> <p><i>Finding Type</i> – Significant deficiency</p> <p><i>Repeat Finding</i> – No</p> <p><i>Criteria</i> – The College is to accurately calculate return of Title IV funds for withdrawn students who began attendance, allocate the return of Title IV funds as required, return Title IV funds timely, and notify borrowers of returned loans. (34 CFR section 668)</p>



Monroe County Community College

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2024

Reference Number	Finding
2023-004 (continued)	<p><i>Condition</i> – During the audit, we selected 21 students that had return of funds during the 2022-2023 fiscal year. Although the calculation of return of funds appeared accurate, the return of funds was never applied to one student in our sample.</p> <p><i>Questioned Costs</i> – None</p> <p><i>Identification of How Questioned Costs Were Computed</i> – N/A</p> <p><i>Current Status</i> – During the current year audit we found no exceptions during the return of funds testing. This is no longer considered a finding</p>
2023-005	<p><i>CFDA Number, Federal Agency, and Program Name</i> – 84.063, Department of Education, Federal Pell Grant</p> <p><i>Federal Award Identification Number and Year</i> – P063P211643, 2023</p> <p><i>Pass-through Entity</i> – N/A</p> <p><i>Finding Type</i> – Significant deficiency</p> <p><i>Repeat Finding</i> – No</p> <p><i>Criteria</i> – The College is to accurately calculate return of Title IV funds for withdrawn students who began attendance, allocate the return of Title IV funds as required, return Title IV funds timely, and notify borrowers of returned loans. (34 CFR section 668)</p> <p><i>Condition</i> – During the audit, we selected eight students that withdrew after the completion of greater than 60% of the semester to determine that a return of funds was not required in the 2022-2023 fiscal year. Of that sample, two students withdrew more than 60% of the way through the semester but a return of funds was applied to the student’s account.</p> <p><i>Questioned Costs</i> – None</p> <p><i>Identification of How Questioned Costs Were Computed</i> – N/A</p> <p><i>Current Status</i> – During the current year audit we found no exceptions during the return of funds testing. This is no longer considered a finding.</p>

Monroe County Community College

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2024

Reference Number	Finding
2023-006	<p><i>CFDA Number, Federal Agency, and Program Name</i> – 84.063, Department of Education, Federal Pell Grant and 84.268, Department of Education, Federal Direct Student Loan Programs</p> <p><i>Federal Award Identification Number and Year</i> – P063P211643, 2023 and P268K221643, 2023</p> <p><i>Pass-through Entity</i> – N/A</p> <p><i>Finding Type</i> – Significant deficiency</p> <p><i>Repeat Finding</i> – No</p> <p><i>Criteria</i> – The College is to notify the Department of Education of changes in student enrollment information at the Campus Level and Program Level in a timely and accurate manner. (34 CFR section 690.2 and section 685.309)</p> <p><i>Condition</i> – During the audit, we selected 25 students that had status changes during the 2022-2023 fiscal year, specifically for the time frame after February 28, 2023 due to the National Student Loan Data System (NSLDS) conversion issues occurring through that date. The following items were noted during our testing: 1) for three students in our sample (2 Pell and 1 Direct Student Loan), the status change date documented by the College did not agree with the status change date reported by NSLDS; 2) for one student in our sample (Direct Student Loan), the status change date was March 30, 2023 but the National Student Clearinghouse reported September 5, 2023, indicating that the notification of status change was not timely (within 60 days of status change); and 3) for one student in our sample (Direct Student Loan), the status change did not appear to have been reported to NSLDS.</p> <p><i>Questioned Costs</i> – None</p> <p><i>Identification of How Questioned Costs Were Computed</i> – N/A</p> <p><i>Current Status</i> – During the current year audit we found no exceptions during the status change testing. This is no longer considered a finding</p>

Monroe County Community College

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2024

Reference Number	Finding
2023-007	<p><i>CFDA Number, Federal Agency, and Program Name</i> – 84.425F, Department of Education, COVID-19 Higher Education Emergency Relief Funds – Institutional and 84.425M, Department of Education, COVID-19 Higher Education Emergency Relief Funds – Strengthening Institutions Program</p> <p><i>Federal Award Identification Number and Year</i> – P425F202028, 2023 and P425M200851, 2023</p> <p><i>Pass-through Entity</i> – N/A</p> <p><i>Finding Type</i> – Significant deficiency</p> <p><i>Repeat Finding</i> – No</p> <p><i>Criteria</i> – Quarterly Higher Education Emergency Relief Fund (HEERF) reports are to be publicly posted, accurate, and filed timely. (2 CFR section 200.328 and section 200.329)</p> <p><i>Condition</i> – During the audit, we reviewed the four quarterly reporting dates for fiscal year 2022-2023 and noted that the fourth quarter report (June 30, 2023) was not filed or publicly posted.</p> <p><i>Questioned Costs</i> – None</p> <p><i>Identification of How Questioned Costs Were Computed</i> – N/A</p> <p><i>Current Status</i> – The HEERF program ended in fiscal year 2023 and therefore had no expenses in fiscal year 2024 so it was not selected as a major program. However, we did review to ensure that the fourth quarter report (June 30, 2023) was subsequently filed and publicly posted. This is no longer considered a finding.</p>
2023-008	<p><i>CFDA Number, Federal Agency, and Program Name</i> – All programs listed on the 2023 Schedule of Expenditure of Federal Awards, see that schedule for identification of federal program information.</p> <p><i>Federal Award Identification Number and Year</i> – All programs listed on the 2023 Schedule of Expenditure of Federal Awards, see that schedule for identification of federal program information.</p>

Monroe County Community College

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2024

Reference Number	Finding
2023-008 (continued)	<i>Condition</i> – As noted in this section of this report, proper approval of manual journal entries should be established to ensure proper financial reporting. This finding could impact Federal Awards and was therefore considered a finding in Section III – Federal Award Findings and Questioned Costs during 2023. Refer to Reference Number 2023-001 for further details of this finding and the current status.



# MONROE COUNTY COMMUNITY COLLEGE

enriching lives

March 3, 2025  
Corrective Action Plan  
Fiscal Year Ended June 30, 2024

## **Finding Number:** 2024-001

**Condition:** During the audit it was identified that the plant fund, including leases and subscription-based technology information arrangements had not been reviewed for proper year-end reporting. In addition, there was one accrued liability account that was understated, due to/from account did not balance to zero, and a restricted grant had not been properly recorded.

**Planned Corrective Action:** The formal year-end closing process will be revised to place more emphasis on the plant fund, leases and subscription-based technology information arrangements for proper year-end reporting. Corrective actions that have already taken place are:

- Review with the Director of Campus Planning and Facilities the fixed asset account numbers and the Construction in Progress schedule to ensure correct accounts are being used and accurate information is on the CIP schedule.
- Additional recording processes have been put in place at the beginning of the 2024-2025 fiscal year to better track and account for the subscription-based technology information agreements. Will revise the SBITA worksheet to match the 2023-2024 audit information that can be used to calculate the 2024-2025 closing entry.
- Revise lease agreement worksheets using the 2023-2024 audit information to capture necessary year end information for the closing entry.
- Verify all current grants that were awarded in prior years and have not been recorded on the Schedule of Federal Awards is correct.

**Contact Persons Responsible for Corrective Actions:** Curtis E. Creagh, VP of Finance and Administration; Frank Thomas, Director of Finance; Denise Lindemann, Asst. Director of Finance

**Anticipated Completion Date:** May 1, 2025

## **Finding Number:** 2024-002

**Condition:** During the audit it was identified that the plant fund, including leases and subscription-based technology information arrangements had not been reviewed for proper year-end reporting. In addition, there was one accrued liability account that was understated, due to/from account did not balance to zero, and a restricted grant had not been properly recorded.

**Planned Corrective Action:** As stated in the auditors finding, please reference the corrective action plan for 2024-001 for the details of this finding and the views of responsible officials and planned corrective actions.

**Contact Persons Responsible for Corrective Actions:** Curtis E. Creagh, VP of Finance and Administration; Frank Thomas, Director of Finance; Denise Lindemann, Asst. Director of Finance

**Anticipated Completion Date:** May 1, 2025

Curtis Creagh, VP of Finance & Administration

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