

**COMMUNITY COLLEGE OF
RHODE ISLAND**
(a Component Unit of the State of Rhode Island)

**INDEPENDENT AUDITORS' REPORTS AS REQUIRED
BY THE UNIFORM GUIDANCE AND *GOVERNMENT*
AUDITING STANDARDS AND RELATED
INFORMATION**

JUNE 30, 2021

COMMUNITY COLLEGE OF RHODE ISLAND
(a Component Unit of the State of Rhode Island)

**Independent Auditors' Reports as Required by the Uniform Guidance and
Government Auditing Standards and Related Information**

June 30, 2021

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Education of
State of Rhode Island
Providence, Rhode Island

Report on Compliance for Each Major Federal Program

We have audited the Community College of Rhode Island's (a component unit of the State of Rhode Island) (the "Community College") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget ("OMB") Compliance Supplement* that could have a direct and material effect on the Community College's major federal program for the year ended June 30, 2021. The Community College's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Community College's major federal programs based on our audit of the types of compliance requirements referred to above. 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* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Community College's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Community College's compliance.

Opinion on Major Federal Program

In our opinion, the Community College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the Community College is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Community College's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Community College's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

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.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the Community College, as of and for the year ended June 30, 2021. We issued our report thereon dated September 30, 2021, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for the 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 basic 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.



**Certified Public Accountants
Braintree, Massachusetts**

February 10, 2022

(except for the Schedule of Expenditures of Federal Awards, for which the date is September 30, 2021)



INDEPENDENT AUDITORS' 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*

To the Board of Education of
State of Rhode Island
Providence, Rhode Island

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 the Community College of Rhode Island (the "Community College"), which comprise the statement of net position as of June 30, 2021, the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Community College's basic financial statements and have issued our report thereon dated September 30, 2021. Our report includes a reference to other auditors who audited the financial statements of Community College of Rhode Island Foundation, as described in our report on Community College of Rhode Island's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

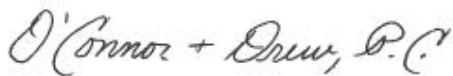
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Community College of Rhode Island's financial statements are free from 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 statement. 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*.

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 entity'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 Community College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Certified Public Accountants
Braintree, Massachusetts**

September 30, 2021

**SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS**

COMMUNITY COLLEGE OF RHODE ISLAND
(a Component Unit of the State of Rhode Island)

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

	Assistance Listing	Pass-Through Entity	Pass-Through Entity Award Number	Federal Expenditures	Passed Through to Subrecipients
STUDENT FINANCIAL ASSISTANCE CLUSTER					
U.S. Department of Education					
Direct Awards:					
Federal Supplemental Educational Opportunity Grants	84.007	N/A	N/A	\$ 910,180	\$ -
Federal Work-Study Program	84.033	N/A	N/A	88,967	-
Federal Pell Grant Program	84.063	N/A	N/A	22,774,953	-
Federal Direct Student Loans	84.268	N/A	N/A	<u>8,355,661</u>	<u>-</u>
Total Student Financial Assistance Cluster				<u>32,129,761</u>	<u>-</u>
TRIO CLUSTER					
U.S. Department of Education					
Direct Awards:					
TRIO - Student Support Services	84.042	N/A	N/A	711,777	-
TRIO - Talent Search	84.044	N/A	N/A	613,072	-
TRIO - Education Opportunity Centers	84.066	N/A	N/A	<u>944,295</u>	<u>-</u>
Total TRIO Cluster				<u>2,269,144</u>	<u>-</u>
477 CLUSTER					
U.S. Department of Health and Human Services					
Pass-through Awards:					
Temporary Assistance for Needy Families	93.558	Rhode Island Department of Human Services	N/A	63,137	-
Child Care and Development Block Grant	93.575	Rhode Island Department of Human Services	N/A	<u>333,653</u>	<u>-</u>
Total 477 Cluster				<u>396,790</u>	<u>-</u>

COMMUNITY COLLEGE OF RHODE ISLAND
(a Component Unit of the State of Rhode Island)

Schedule of Expenditures of Federal Awards - Continued

Year Ended June 30, 2021

	Assistance Listing	Pass-Through Entity	Pass-Through Entity Award Number	Federal Expenditures	Passed Through to Subrecipients
NON-CLUSTER					
U.S. Department of Education					
Direct Awards:					
Higher Education Institutional Aid	84.031	N/A	N/A	239,892	-
COVID-19 - Higher Education Emergency Relief Fund (HEERF) - Student Aid Portion	84.425E	N/A	N/A	5,731,131	-
COVID-19 - Higher Education Emergency Relief Fund (HEERF) - Institutional Portion	84.425F	N/A	N/A	12,503,670	-
COVID-19 - Higher Education Emergency Relief Fund (HEERF) - SIP	84.425M	N/A	N/A	488	-
Total Higher Education Emergency Relief Fund (HEERF)				18,235,289	-
Subtotal - Direct Awards				18,475,181	-
Pass-through Awards:					
COVID-19 - Governor's Emergency Education Relief Fund (GEER)	84.425C	State of Rhode Island	N/A	5,569	-
Total Education Stabilization Fund (ESF)				18,480,750	-
Adult Education - Basic Grants to States	84.002	Rhode Island Department of Education	N/A	182,179	-
Career and Technical Education - Basic Grants to States	84.048	Rhode Island Department of Education	N/A	218,396	-
Career and Technical Education - National Programs	84.051	Rhode Island Department of Education	N/A	16,679	-
Subtotal - Pass-through Awards (Non-ESF)				417,254	-
U.S. Treasury					
Pass-through Awards:					
COVID-19 - Coronavirus Relief Fund	21.019	State of Rhode Island	N/A	5,000,000	-
National Institutes of Health					
Pass-through Awards:					
Biomedical Research and Research Training	93.859	University of Rhode Island	N/A	46,880	-
Total Non-Cluster				23,944,884	-
Total Federal Funds				\$ 58,740,579	\$ -

The accompanying notes are an integral part of this schedule.

COMMUNITY COLLEGE OF RHODE ISLAND

(a Component Unit of the State of Rhode Island)

Notes to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Note 1 - **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Community College of Rhode Island (the "Community College") under programs of the Federal Government for the year ended June 30, 2021. The information on this Schedule is prepared in accordance with the 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"). Because the Schedule presents only a selected portion of the operations of the Community College, it is not intended to, and does not present, the financial position, changes in net position or cash flows of the Community College.

Note 2 - **Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance.

Note 3 - **Determination of Major Programs**

The determination of major federal financial assistance programs was based on the overall level of expenditures for all federal programs for the State of Rhode Island (the "State"), of which Community College of Rhode Island is a component unit. As such, the determination of major programs is made at the State level, where it was determined the Higher Education Emergency Relief (HEERF) was a major program during the State fiscal year ended June 30, 2021.

Note 4 - **Indirect Cost Rate**

The Community College has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 5 - **Federal Direct Student Loans**

The Community College disbursed \$8,355,661 of loans under the Federal Direct Student Loans program, which include Stafford Subsidized and Unsubsidized Loans and Parent Plus Loans. The Community College is only responsible for the performance of certain administrative duties and, accordingly, there are no significant continuing compliance requirements and these loans are not included in the Community College's financial statements.

COMMUNITY COLLEGE OF RHODE ISLAND
(a Component Unit of the State of Rhode Island)

Schedule of Findings and Questioned Costs

Year Ended June 30, 2021

Section I – Summary of Auditors’ Results:

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? yes no
- Significant deficiencies identified that are not considered to be material weaknesses? yes no

Noncompliance material to the financial statements noted? yes no

Federal Awards

Type of auditors’ report issued on compliance for major programs: Unmodified

Internal control over major programs:

- Material weaknesses identified? yes no
- Significant deficiencies identified that are not considered to be material weaknesses? yes no

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? yes no

COMMUNITY COLLEGE OF RHODE ISLAND
(a Component Unit of the State of Rhode Island)

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2021

Identification of Major Programs

Name of Federal Program or Cluster	CFDA Number
Education Stabilization Funds (ESF):	
Higher Education Emergency Relief Fund (HEERF) – Governors’ Emergency Education Relief Fund (GEER)	84.425C
Higher Education Emergency Relief Fund (HEERF) – Student Aid Portion	84.425E
Higher Education Emergency Relief Fund (HEERF) – Institutional Portion	84.425F
Higher Education Emergency Relief Fund (HEERF) – Strengthening Institutions Program (SIP)	84.425M

Dollar threshold used to distinguish between
type A and type B programs:

\$25,224,933

Auditee qualified as a low-risk auditee?

_____ yes x no

COMMUNITY COLLEGE OF RHODE ISLAND
(a Component Unit of the State of Rhode Island)

Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2021

Section II – Financial Statement Findings

None.

Section III – Federal Award Findings and Questioned Costs

None.



COMMUNITY COLLEGE

OF RHODE ISLAND

Management's Summary Schedule of Prior Audit Findings

Year Ended June 30, 2021

Finding number: 2020-001
Federal agency: U.S. Department of Education
Program: Student Financial Assistance Cluster
CFDA #: 84.063 and 84.268
Award year: 2020

Condition

The Federal Government requires the Community College to report student enrollment changes to the National Student Loan Data System (“NSLDS”) within sixty days.

Award Year 2020: During our testing, we noted four students, out of a sample of forty, were not reported to NSLDS within the required timeframe.

- Three students that withdrew were not reported to NSLDS.
- One student that withdrew was not reported to NSLDS within the required timeframe. The status change was reported at 69 days, which was 9 days late.

Current Year Status

Corrective action was identified and implemented. The auditor did not identify any issues during follow up testing.



COMMUNITY COLLEGE

OF RHODE ISLAND

Management's Summary Schedule of Prior Audit Findings - Continued

Year Ended June 30, 2021

Finding number: 2020-002
Federal agency: U.S. Department of Education
Program: Student Financial Assistance Cluster
CFDA #: 84.063 and 84.268
Award year: 2020

Condition

Federal regulations state that any unearned Title IV grant or loan assistance received by a student must be refunded to the Title IV programs upon a student's withdrawal from the institution. The Community College has 45 days from the date they determined the student withdrew to return any unearned portions of Title IV funds.

Award Year 2020: During our testing, we noted four students, out of a sample of forty, had unearned Title IV aid that was not returned to the Federal Government within 45 days of the determined withdrawal date by 93 - 99 days.

Current Year Status:

Corrective action was identified and implemented. The auditor did not identify any issues during follow up testing.