

SPARTANBURG COMMUNITY COLLEGE

**Independent Auditors' Reports Required by Government
Auditing Standards and the Single Audit Act**

**Schedule of Expenditures for Federal Awards
For the Year Ended June 30, 2022**

SPARTANBURG COMMUNITY COLLEGE

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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 Commission Members
Spartanburg Community College
Spartanburg, South Carolina

We have audited, in accordance with the 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 business-type activities and the discretely presented component unit of Spartanburg Community College (the "College"), a discretely presented component unit of the State of South Carolina, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprised the College's basic financial statements, and have issued our report thereon dated September 30, 2022. Our report includes a reference to other auditors who audited the financial statements of Spartanburg Community College Foundation financial statements. The financial statements Spartanburg Community College Foundation were not audited in accordance with *Government Auditing Standards*.

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 opinion on the financial statements, but not for the purpose of expressing an opinions 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 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.

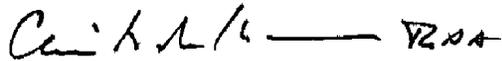
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

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



Gaffney, SC
September 30, 2022

Independent Auditors' Report On Compliance For
Each Major Program and On Internal Control
Over Compliance and Report on Schedule of Expenditures
of Federal Awards Required by the Uniform Guidance

To the Commission Members
Spartanburg Community College
Spartanburg, South Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Spartanburg Community College's 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 Spartanburg Community College's major federal programs for the year ended June 30, 2022. Spartanburg Community 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, Spartanburg 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 each of its major federal programs for the year ended June 30, 2022.

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 Spartanburg Community 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 Spartanburg Community 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 Spartanburg Community 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 Spartanburg Community 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 Spartanburg Community 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 Spartanburg Community 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 Spartanburg Community 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 Spartanburg Community 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.

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.

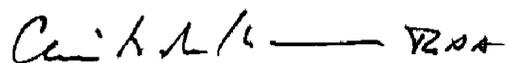
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant 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.

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

We have audited the financial statements of the business-type activities and the discretely presented component unit of Spartanburg Community College, a discretely presented component of the State of South Carolina, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the College's basic financial statements. Our audit was conducted for the purpose of forming opinions 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.

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.



Gaffney, SC
September 30, 2022

SPARTANBURG COMMUNITY COLLEGE
Schedule of Expenditures of Federal Awards
As of June 30, 2022

Federal Grantor/Program Title/Grant Title	Federal Assistance Listing Number	Grant Period	Total Expenditures
U.S. DEPARTMENT OF EDUCATION			
<u>Student Financial Aid Cluster</u>			
Federal Supplemental Education Opportunity Grant (FSEOG)	84.007	2021-22	\$ 186,234
		2020-21	(280)
Federal Direct Loans	84.268	2021-22	1,856,607
		2020-21	4,761
Federal Work-Study Program (FWS)	84.033	2021-22	144,852
		2020-21	11,692
Federal Pell Grant Program (PELL)	84.063	2021-22	10,906,041
		2020-21	(9,783)
Total Student Financial Aid Cluster			13,100,124
<u>TRIO Cluster</u>			
TRIO- Student Support Services	84.042A	2021-22	220,050
TRIO- Student Support Services		2020-21	82,636
TRIO- Talent Search Services	84.044A	2021-22	64,417
Total TRIO Cluster			367,103
<u>Pass-through from S.C. Department of Education Cluster</u>			
Perkins IV Postsecondary Funding	84.048A	2021-22	305,364
		2020-21	74,217
Perkins IV RESERVE	84.048	2021-22	37,534
		2020-21	110,230
Adult Education - AEFLA	84.002	2021-22	53,834
Total S.C. Department of Education			581,178
<u>COVID-19 Higher Education Emergency Relief Fund (HEERF)</u>			
(HEERF) - Student Education Relief	84.425E	2021-22	-
(HEERF) - Institutional Education Relief	84.425F	2021-22	-
(HEERF II) - Student Education Relief	84.425E	2021-22	-
(HEERF II) - Institutional Education Relief	84.425F	2021-22	5,282,824
(HEERF III) - Student Education Relief	84.425E	2021-22	6,403,038
(HEERF III) - Institutional Education Relief	84.425F	2021-22	973,430
GEER - Governor Educational Relief	84.425C	2021-22	502,904
HEERF - SIP	84.425M	2021-22	543,800
GEER - Workforce Scholarship for the Future	84.425C	2021-22	518,152
Total COVID-19 Higher Education Emergency Relief Fund			14,224,148
TOTAL U. S. DEPARTMENT OF EDUCATION			\$ 28,272,553

SPARTANBURG COMMUNITY COLLEGE
Schedule of Expenditures of Federal Awards
As of June 30, 2022

Federal Grantor/Program Title/Grant Title	Federal Assistance Listing Number	Grant Period	Total Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<u>Pass-through from S.C. Department of Health and Human Services</u>			
T.E.A.C.H.	93.575	2021-22	\$ 12,189
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			12,189
U.S. DEPARTMENT OF LABOR			
Trade Adjustment Assistance Community College and Career Training (TAACCCT)			
<u>Pass-through from S.C. Technical College System</u>			
GROW SC	17.268	2021-22	177,238
SAE Apprenticeship Expansion	17.285	2021-22	139,764
S.C. Apprenticeship Initiative Project (H-1B Job Training Grants)	17.268	2021-22	-
TOTAL U.S. DEPARTMENT OF LABOR			317,002
APPALACHIAN REGIONAL COMMISSION (ARC)			
<u>Pass-through from U.S. Department of Commerce Cluster</u>			
Public Works Program/Building Renovation	11.300	2021-22	493
Apprenticeship Carolina	23.011	2021-22	29,516
TOTAL APPALACHIAN REGIONAL COMMISSION			30,010
NATIONAL SCIENCE FOUNDATION			
<u>Pass-through from Clemson University</u>			
Center for Aviation and Automotive Technical Education Using			
CA2VES A2	47.076	2021-22	60,837
<u>Draw Down</u>			
Cyber Security	47.076	2021-22	29,505
SPECTRA	47.076	2021-22	25,108
Data Analytics	47.076	2021-22	7,339
TOTAL NATIONAL SCIENCE FOUNDATION			\$ 122,789
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 28,754,542

SPARTANBURG COMMUNITY COLLEGE
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal award programs of Spartanburg Community College. The reporting entity is defined in Note 1 of the College's financial statements. All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

2. BASIS OF ACCOUNTING

The accompanying Schedule of Federal Awards is presented using the accrual basis of accounting, which is described in Note 1 of the College's financial statements.

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

3. FEDERAL LOAN PROGRAMS

The College has students who have approved loans which were received by those students during the current year. The totals and types of loans received for the current fiscal year are:

Federal Direct Loans	Subsidized	\$ 198,473
	Unsubsidized	<u>1,654,017</u>
Total		<u><u>\$ 1,852,490</u></u>

SPARTANBURG COMMUNITY COLLEGE
Summary Schedule of Prior Audit Findings
June 30, 2022

Findings Relating to the Financial Statements:

There were no findings relating to the financial statements.

Findings and Questioned Costs Relating to Federal Awards:

2021-001 - Special Test and Provision- Borrower Data and Reconciliation (Direct Loan)

Federal Agency: Department of Education

Program: Student Financial Aid Cluster

Condition: There is a lack of evidence that the College performed all of the required monthly Direct Loan reconciliation.

Status: Corrective action was taken.

2021-002 - Reporting- Special Reporting

Federal Agency: Department of Education

Program: Coronavirus Response and Relief Supplemental Appropriation Act (CRRSAA) - HEERF II, Student Portion- CFDA #84.425E

Condition: For the HEERF II student portion, the required quarterly public reporting was not conspicuously posted on the College primary website.

Status: Corrective action was taken. No similar findings noted in current year audit of this program.

SPARTANBURG COMMUNITY COLLEGE
 Schedule of Findings and Questioned Costs
 June 30, 2022

Summary of Auditors' Results:

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP.

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

Yes _____ No x

Significant deficiency(ies) identified?

Yes _____ No x

Noncompliance material to financial statements noted?

Yes _____ No x

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?

Yes _____ No x

Significant deficiency(ies) identified?

Yes _____ No x

Type of auditor's report issued on compliance for major federal programs.

Unmodified

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

Yes _____ No x

Identification of major federal programs:

Federal
Assistance
Listing Number

Various	TRIO Cluster
84.425E	COVID-19 Higher Education Emergency Relief Fund (HEERF)- Student Portion
84.425F	COVID-19 Higher Education Emergency Relief Fund (HEERF)- Institutional Portion
84.425M	COVID-19 Higher Education Emergency Relief Fund (HEERF)- Strengthening Institution
84.425C	Workforce Scholarship for Future Governor's Emergency Relief (GEER) Funds
84.425C	Governor's Emergency Education Relief Fund (GEER)

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

\$750,000

Auditee qualified as low-risk auditee?

Yes x No _____

SPARTANBURG COMMUNITY COLLEGE
Schedule of Findings and Questioned Costs, Continued
June 30, 2022

Findings Relating to Financial Statements:

There were no findings relating to the financial statements.

Findings and Questioned Costs Relating to Federal Awards:

There were no findings and questioned costs relating to federal awards.