

Washtenaw Community College

Federal Awards  
Supplemental Information

*Year Ended June 30, 2021*

Washtenaw Community College

Federal Awards  
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Year Ended June 30, 2021

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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*

Board of Trustees  
Washtenaw Community College  
Ann Arbor, 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 Washtenaw Community College (College), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated September 15, 2021.

**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) to determine 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 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. 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 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 determination of financial statement amounts. 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 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.

*Andrews Hooper Pavlik PLC*

Auburn Hills, Michigan  
September 15, 2021

Independent Auditors' 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  
Washtenaw Community College  
Ann Arbor, Michigan

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

We have audited Washtenaw Community College's (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 each of the College's major federal programs for the year ended June 30, 2021. 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.

***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 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* (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 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 the College's compliance.

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

In our opinion, Washtenaw 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, 2021.

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

Management of Washtenaw 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 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 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 Washtenaw Community College, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the College's basic financial statements. We issued our report thereon dated September 15, 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 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*

Auburn Hills, Michigan  
November 30, 2021

# Washtenaw Community College

## Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Federal Agency/Pass-Through Agency/Program Title	Federal CFDA Number	Pass-Through Entity Project/Grant Number	Federal Expenditures
<b>Major Programs</b>			
U.S. Department of Education:			
COVID-19 Higher Education Emergency Relief Funds (HEERF) - Direct Program:			
Student	84.425E	P425E201730	\$ 1,134,945
Student	84.425E	P425E201730-20A	2,484,445
Student	84.425E	P425E201730-20B	2,662,205
Institutional	84.425F	P425F201306	2,111,509
Institutional	84.425F	P425F201306-20A	9,408,515
Institutional	84.425F	P425F201306-20B	2,968,392
Strengthening Institutions Program	84.425M	P425M201008	249,088
Strengthening Institutions Program	84.425M	P425M201008-20A	500,503
Total COVID-19 Higher Education Emergency Relief Funds			21,519,602
U.S. Department of Treasury:			
(passed through the State of Michigan)			
COVID-19 Coronavirus Relief Fund (CRF)	21.019	SLT0040	1,552,900
(passed through the Michigan Department of Education)			
COVID-19 Child Care Relief Fund	21.019	SLT0040	7,800
Total U.S. Department of Treasury			1,560,700
Total Major Programs			23,080,302
<b>Other Federal Awards</b>			
U.S. Department of Health & Human Services:			
Temporary Assistance for Needy Families (TANF) Cluster:			
(passed through the Southeast Michigan Consortium)			
SBDC - Business Services Path	93.558	WIOA 20-05 SBDC Bus	41,150
(passed through the State of Michigan)			
Federal Fostering Futures	93.558	1386000134C4	10,341
Total U.S. Department of Health & Human Services			51,491
U.S. Department of Education:			
Student Financial Assistance Cluster - Direct Program:			
Federal Direct Student Loan Program	84.268	P268K210244	11,223,976
Federal Pell Grant Program	84.063	P063P200244	11,772,577
Federal Pell Grant Allowance	84.063	P063Q200244	16,880
Federal Pell Grant Allowance	84.063	P063Q190244	1,775
Federal Pell Grant Allowance	84.063	P063Q180244	10
Federal Work-Study Program	84.033	P033A202100	44,113
Federal Supplemental Educational Opportunity Grants Program	84.007	P007A202100	541,170
Federal Supplemental Educational Opportunity Grants Program	84.007	P007A192100	630
Total Student Financial Assistance Cluster			23,601,131
Vocational Education Basic Grants:			
(passed through the State of Michigan)			
Michigan Occupational Special Populations Association	84.048A	V048A200022	24,013
(passed through the Michigan Department of Education)			
Vocational Education Administration	84.048A	V048A200022	9,200
Vocational Education Local Annual	84.048A	V048A200022	609,759
Vocational Education Local Annual	84.048A	V048A190022	(1,874)
Total Vocational Education Basic Grants			641,098
Title III - Program for Academic Success PASS - Alpha Scholars - Direct Program	84.031A	P031A200134	34,546
(passed through the University of Michigan)			
East Asia National Resource Center	84.015A	P015B180114-SUBK00009713	16,460

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



# Washtenaw Community College

## Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Federal Agency/Pass-Through Agency/Program Title	Federal CFDA Number	Pass-Through Entity Project/Grant Number	Federal Expenditures
<u>Other Federal Awards (continued)</u>			
U.S. Department of Education (continued):			
(passed through the Michigan Strategic Fund - Workforce Development)			
WIA Title II Adult Education State Grant Program	84.002A	211130-211437	\$ 225,613
Total U.S. Department of Education			<u>24,518,848</u>
U.S. Small Business Administration:			
(passed through Grand Valley State University)			
Michigan Small Business Development Center - 2021	59.037	SBAHQ21B0057	11,969
Michigan Small Business Development Center - 2020	59.037	SBAHQ20B0049	308,142
Total U.S. Small Business Administration			<u>320,111</u>
U.S. National Science Foundation:			
(passed through the University of Michigan)			
LSAMP with University of Michigan	47.076	1619681-3004280412	103,015
(passed through the Michigan State University)			
S-STEM with Michigan State University	47.076	1742381-RC107563WCC	198,273
Total U.S. National Science Foundation			<u>301,288</u>
U.S. Department of Transportation:			
(passed through the Michigan Department of State)			
Highway Safety Cluster:			
Motorcycle Safety 2021	20.616	MC-21-01	1,537
(passed through the University of Michigan)			
CCAT with University of Michigan	20.701	69A3551747105-3004352859	204,443
Total U.S. Department of Transportation			<u>205,980</u>
U.S. Department of Labor:			
(passed through the Southeast Michigan Consortium)			
Workforce Innovation Opportunity Act (WIOA) Cluster:			
SBDC Business Services WIOA Dislocated Worker	17.278	WIOA 20-05 SBDC Bus	11,869
SBDC Business Services WIOA Youth	17.259	WIOA 20-05 SBDC Bus	15,527
SBDC Business Services WIOA Adult	17.258	WIOA 20-05 SBDC Bus	12,935
Total Workforce Innovation Opportunity Act (WIOA) Cluster			<u>40,331</u>
Employment Services Cluster:			
SBDC Business Services Employment Services	17.207	WIOA 20-05 SBDC Bus	2,933
Total U.S. Department of Labor			<u>43,264</u>
U.S. Department of Justice:			
(passed through the Michigan State Police)			
COVID-19 CARES Act	16.034	2020-VD-BX-0434/CESF-076-2020	3,366
Total U.S. Department of Justice			<u>3,366</u>
U.S. Department of Agriculture:			
(passed through the Southeast Michigan Consortium)			
Supplemental Nutrition Assistance Program (SNAP) Cluster:			
SBDC Business Services Food Assistance Employment and Training	10.561	WIOA 20-05 SBDC Bus	853
Total U.S. Department of Agriculture			<u>853</u>
Total Other Federal Awards			<u>25,445,201</u>
Total Expenditures of Federal Awards			<u>\$ 48,525,503</u>

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

# Washtenaw Community College

## Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

### **Note 1. Significant Accounting Policies**

The accompanying Schedule of Expenditures of Federal Awards (schedule) includes the federal grant activity of the Washtenaw Community College (College) under programs of the federal government for the fiscal year ended June 30, 2021. 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 Washtenaw Community College, it is not intended to, and does not present the financial position, changes in net position, or cash flows, of Washtenaw 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. Other Adjustments**

During the fiscal year ended June 30, 2021, the College carried forward \$15,488 from the 2019-2020 Federal Work Study Program (84.033) to the 2020-2021 award year. The College transferred \$235,341 of the 2020-2021 Federal Work Study Program to the Supplemental Educational Opportunity Grant (84.007), which it expended in the 2020-2021 award year.

### **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.

Washtenaw Community College

Schedule of Findings and Questioned Costs

Year Ended June 30, 2021

Section I – Summary of Auditor’s Results

**Financial Statements**

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

Material weakness identified? \_\_\_\_\_ Yes  X  No

Significant deficiency identified not considered to be material weakness? \_\_\_\_\_ Yes  X  None reported

Noncompliance material to financial statements noted? \_\_\_\_\_ Yes  X  No

**Federal Awards**

Internal control over major programs:

Material weakness identified? \_\_\_\_\_ Yes  X  No

Significant deficiency identified not considered to be material weakness? \_\_\_\_\_ Yes  X  None reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? \_\_\_\_\_ Yes  X  No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Cluster and Federal Programs</u>
	COVID-19 Higher Education Emergency Relief Funds (HEERF):
84.425E	Student
84.425F	Institutional
84.425M	Title III – Strengthening Institutions Program
21.019	COVID-19 Coronavirus Relieve Funds (CRF)
21.019	COVID-19 Child Care Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?  X  Yes \_\_\_\_\_ No

Washtenaw Community College

Schedule of Findings and Questioned Costs

Year Ended June 30, 2021

Section II – Financial Statement Findings

No matters were reported.

Section III – Federal Award Findings and Questioned Costs

No matters were reported.

Washtenaw Community College  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2021

No matters were reported.