

SPARTANBURG COMMUNITY COLLEGE

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

**Schedule of Expenditures for Federal Awards
For the Year Ended June 30, 2023**

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, 2023 and the related notes to the financial statements, which collectively comprise College's basic financial statements, and have issued our report thereon dated October 2, 2023. The financial statements of the Spartanburg Community College Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the foundation.

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 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.

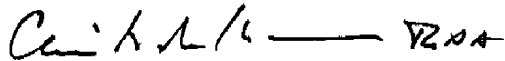
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses 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
October 2, 2023

Independent Auditors' Report on Compliance for
Each Major Federal 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, 2023. 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, 2023.

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.

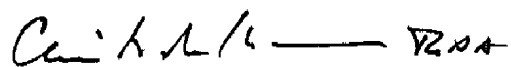
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant 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, 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements. We issued our report thereon dated October 2, 2023, which contained unmodified opinions on those financial statements. Our audit was performed 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
October 2, 2023

SPARTANBURG COMMUNITY COLLEGE
Schedule of Expenditures of Federal Awards
Expenditures Period July 1, 2022 thru June 30, 2023

Federal Grantor/Program Title/Grant Title	Assistance			(B)
	Listing Number	Contract Number	Grant Period	FY23 Expenditures As of 06-30-2023
U.S. DEPARTMENT OF EDUCATION				
<u>Student Financial Aid Cluster</u>				
Federal Supplemental Education Opportunity Grant (FSEOG)	84.007		2022-23	175,944
Federal Direct Loans	84.268		2022-23	2,093,104
Federal Direct Loans	84.268		2021-22	-7,593
Federal Work-Study Program (FWS)	84.033		2022-23	112,634
Federal Work-Study Program (FWS)	84.033		2021-22	11,308
Federal Pell Grant Program (PELL)	84.063		2022-23	11,691,071
Federal Pell Grant Program (PELL)	84.063		2021-22	19,865
Total Student Financial Aid Cluster				14,096,333
<u>TRIO Cluster</u>				
TRIO- Student Support Services	84.042A		2022-23	210,022
TRIO- Student Support Services	84.042A		2021-22	82,807
TRIO- Talent Search Services	84.044A		2022-23	241,884
TRIO- Talent Search Services	84.044A		2021-22	54,986
Total TRIO Cluster				589,698
<u>Pass-through from S.C. Department of Education</u>				
Perkins IV Postsecondary Funding	84.048A		2022-23	324,760
Perkins IV Postsecondary Funding	84.048A		2021-22	53,835
Perkins IV RESERVE	84.048		2021-22	35,910
Adult Education	84.002		2022-23	52,545
Adult Education	84.002		2021-22	3,618
Total S.C. Department of Education				470,667
<u>COVID-19 Education Stabilization Funds</u>				
COVID-19 HEERF III - Institutional Aid	84.425F		2022-23	5,240,459
<u>Pass-through from S.C. Technical College System</u>				
COVID-19 GEER - Governor's Emergency Educational Relief Fund	84.425C		2022-23	121,135
COVID-19 GEER - Workforce Scholarship for the Future	84.425C		2022-23	410,973
COVID-19 GEER - Workforce Scholarship for the Future (Phase 2)	84.425C		2022-23	326,914
COVID-19 GEER III - Workforce Scholarship for the Future	84.425V		2022-23	401,045
COVID-19 American Rescue Plan -Elementary and Secondary School Emergency Relief (ARP ESSER) - Dual Enrollment Partnerships	84.425U		2022-23	432,306
Total COVID-19 Education Stabilization Funds				6,932,832
TOTAL U. S. DEPARTMENT OF EDUCATION				22,089,530

SPARTANBURG COMMUNITY COLLEGE
Schedule of Expenditures of Federal Awards
Expenditures Period July 1, 2022 thru June 30, 2023

Federal Grantor/Program Title/Grant Title	Assistance			(B)
	Listing Number	Contract Number	Grant Period	FY23 Expenditures As of 06-30-2023
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. - Child Care and Development Block Grant	93.575		2022-23	40,293
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				40,293
U.S. DEPARTMENT OF LABOR				
GROW SC SCC	17.268		2022-23	191,737
GROW SC SC Works - subrecipient	17.268		2022-23	167,677
GROW SC United Way - subrecipient	17.268		2022-23	79,716
<u>Pass-through from S.C. Technical College System</u>				
SAE Apprenticeship Expansion	17.285		2022-23	136,252
Youth Apprenticeship Readiness Grant Program (SCYARI)	17.285		2022-23	38,460
TOTAL U.S. DEPARTMENT OF LABOR				613,842
SC DEPARTMENT OF SOCIAL SERVICES				
SNAP2WORK	10.561		2022-23	40,221
TOTAL SC DEPARTMENT OF SOCIAL SERVICES				40,221
U.S. DEPARTMENT OF COMMERCE				
<u>Pass-through from Appalachian Regional Commission</u>				
Heavy Truck/Equipment Workforce with Environmental/Technology Skills	99.999	20712.22	2022-23	109,377
TOTAL U.S. DEPARTMENT OF COMMERCE				109,377
NATIONAL SCIENCE FOUNDATION				
<u>Research and Development Cluster</u>				
Education and Human Resources - Data Analytics	47.076	R&D	2022-23	68,989
Education and Human Resources - REVVED	47.076	R&D	2022-23	129,786
Education and Human Resources - SPECTRA	47.076	R&D	2022-23	25,542
<u>Pass-through from Clemson University</u>				
Center for Aviation and Automotive Technical Education Using				
Education and Human Resources - CA2VES A2	47.076	R&D	2022-23	52,379
Education and human Resources - S-STEM	47.076	R&D	2022-23	9,308
Total Research and Development Cluster				286,005
TOTAL NATIONAL SCIENCE FOUNDATION				286,005
TOTAL EXPENDITURES OF FEDERAL AWARDS				23,139,047

SPARTANBURG COMMUNITY COLLEGE
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2023

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	\$ 1,314,664
	Unsubsidized	<u>779,211</u>
Total		<u><u>\$ 2,093,875</u></u>

SPARTANBURG COMMUNITY COLLEGE
Summary Schedule of Prior Audit Findings
June 30, 2023

Findings Relating to the 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.

SPARTANBURG COMMUNITY COLLEGE
 Schedule of Findings and Questioned Costs
 June 30, 2023

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

- 84.048A Perkins IV Postsecondary Funding
- 84.425F COVID-19 Higher Education Emergency Relief Fund (HEERF)- Institutional Portion
- 84.425C COVID-19 Workforce Scholarship for Future Governor's Emergency Relief (GEER) Funds
- 84.425C COVID-19 Governor's Emergency Education Relief Fund (GEER)
- 84.425V COVID-19 GEER III- Workforce Scholarship for the Future
- 84.425U COVID-19 ARP- Elementary and Secondary Emergency Relief (ARP ESSER) Funds

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, 2023

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.