

LINN-BENTON COMMUNITY COLLEGE  
ALBANY, OREGON

FEDERAL SINGLE AUDIT ACT AUDIT  
IN ACCORDANCE WITH THE UNIFORM GUIDANCE

Year Ended June 30, 2021

**KENNETH KUHNS & CO.**

Certified Public Accountants  
570 Liberty Street S.E., Suite 210  
Salem, Oregon 97301-3594

Telephone: (503) 585-2550

## TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	1 to 2
Schedule of Expenditures of Federal Awards	3 to 4
Notes to Schedule of Expenditures of Federal Awards	5
Schedule of Findings and Questioned Costs	6

KENNETH KUHNS & CO.  
CERTIFIED PUBLIC ACCOUNTANTS  
570 LIBERTY STREET S.E., SUITE 210  
SALEM OREGON 97301-3594  
TELEPHONE (503) 585-2550

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

February 16, 2022

Board of Education  
Linn-Benton Community College  
Albany, Oregon

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

We have audited Linn-Benton Community College's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Linn-Benton Community College's major federal programs for the year ended June 30, 2021. Linn-Benton Community College's major federal programs are identified in the summary of audit 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.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Linn-Benton 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* (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 Linn-Benton 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 Linn-Benton Community College's compliance.

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

In our opinion, Linn-Benton 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 Linn-Benton 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 Linn-Benton 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 Linn-Benton 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 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 Linn-Benton Community College as of and for the year ended June 30, 2021, and have issued our report thereon dated November 8, 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 purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 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 financial statements or to the 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 financial statements as a whole.

*Kenneth Kuhns & Co.*

Kenneth Kuhns & Co.

LINN-BENTON COMMUNITY COLLEGE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2021

	Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures
<u>U.S. Department of Education:</u>			
Direct: Student Financial Aid Programs:			
Supplemental Educational Opportunity Grants	84.007		\$ 385,914
College Work Study	84.033		51,850
Federal Direct Loan Program	84.268		6,323,629
Pell Grant	84.063		<u>5,433,888</u>
Total Student Financial Aid Programs			<u>12,195,281</u>
Direct: Title III Strengthening Institutions Program Grant	84.031A		<u>431,892</u>
Direct: Education Stabilization Fund:			
COVID-19 - Higher Education Emergency Relief Fund-IHE's	84.425E		1,838,397
COVID-19 - Higher Education Emergency Relief Fund-IHE/Instituion	84.425F		6,181,302
COVID-19 - Higher Education Emergency Relief Fund-Strengthening Institutions	84.425M		<u>391,397</u>
			8,411,096
Passed through Oregon Higher Education Coordinating Commission:			
COVID-19 - GEER Student Support	84.425C		<u>198,500</u>
Total Education Stabilization Fund			<u>8,609,596</u>
Passed through Oregon Higher Education Coordinating Commission:			
Adult Education - Grants to States	84.002	16-366J	<u>256,089</u>
Passed through Oregon Department of Education:			
Career and Technical Education - Basic Grants to States - Tech Prep Education (Perkins Reserve)	84.048		6,446
Career and Technical Education - Basic Grants to States - Small Schools Consortium (Perkins Basic)	84.048		<u>544,215</u>
Total Career and Technical Education - Basic Grants to States			<u>550,661</u>
Passed through Oregon State University:			
GEAR Up	84.334S		<u>34,621</u>
Total U.S. Department of Education			<u>22,078,140</u>

LINN-BENTON COMMUNITY COLLEGE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2021

	Assistance Listing Number	Pass-Through Entity Identifying Number	Expenditures
<u>U.S. Department of Health and Human Services:</u>			
Passed through Oregon Department of Education: 477 Cluster:			
Child Care Resource and Referral	93.575		\$ 160,219
Child Care Resource and Referral	93.596		<u>415,594</u>
Total 477 Cluster			575,813
Passed through Oregon Department of Education:			
Early Learning Hub-Coordinated Enrollment	93.494		400,585
Promoting Safe and Stable Families	93.556	155958	<u>123,372</u>
Total U.S. Department of Health and Human Services			<u>1,099,770</u>
<u>Small Business Administration:</u>			
Passed through Lane Community College:			
Small Business Development Center	59.037	16-149	73,000
COVID-19 - SBA CARES Act Grant	59.037		<u>27,606</u>
Total U.S. Small Business Administration			<u>100,606</u>
<u>National Science Foundation:</u>			
Direct: NSF S-STEM	47.076		39,500
Direct: NSF GeoBridge Pipeline	47.076		39,105
Passed through University of Washington:			
Pacific NW LSAMP	47.076		<u>4,000</u>
Total National Science Foundation			<u>82,605</u>
<u>National Aeronautics &amp; Space Administration:</u>			
Passed through Oregon State University:			
Oregon/NASA Space Grant Program	43.008		<u>3,526</u>
<u>Institute of Museum and Library Services:</u>			
Passed through State Library of Oregon:			
LSTA Literacy Project	45.310		<u>82,634</u>
<u>General Services Administration</u>			
Passed through Oregon Department of Administrative Services	39.003		<u>3,674</u>
Federal Surplus Property			
Total Expenditures of Federal Awards			<u><u>\$ 23,450,955</u></u>

LINN-BENTON COMMUNITY COLLEGE

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2021

1. Purpose of the Schedule:

The accompanying schedule of expenditures of federal awards (the Schedule) is a supplementary schedule to Linn-Benton Community College's financial statements and is presented for purposes of additional analysis. Because the Schedule presents only a selected portion of the activities of the College, it is not intended to and does not present either the financial position or changes in net position of the College.

2. Significant Accounting Policies:

**Reporting Entity:** The reporting entity is fully described in Note 1 to the College's financial statements. The Schedule includes all federal financial assistance programs administered by the College for the year ended June 30, 2021.

**Basis of Presentation:** The information in the Schedule is presented in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**Federal Financial Assistance:** Pursuant to the Uniform Guidance, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriations. Accordingly, nonmonetary federal assistance, including federal surplus property, is included in federal financial assistance and, therefore, is reported on the Schedule, if applicable. Federal financial assistance does not include direct federal cash assistance to individuals. Solicited contracts between the state and federal government for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

**Basis of Accounting:** The expenditures in the Schedule are recognized as incurred based on the accrual basis of accounting and the cost accounting principles contained in the Uniform Guidance. Under those cost principles, certain types of expenditures are not allowable or are limited as to reimbursement. The College has elected not to use the ten percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Matching Costs:** The Schedule does not include matching expenditures.

LINN-BENTON COMMUNITY COLLEGE  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 Year Ended June 30, 2021

A - SUMMARY OF AUDIT RESULTS:

1. The independent auditor's report expresses an unmodified opinion on the financial statements of Linn-Benton Community College.
2. There were no significant deficiencies in internal control over financial reporting reported during the audit of the financial statements of Linn-Benton Community College.
3. No instances of noncompliance material to the financial statements of Linn-Benton Community College were disclosed during the audit.
4. There were no significant deficiencies in internal control over compliance reported during the audit of the major federal award programs of Linn-Benton Community College.
5. The independent auditor's report on compliance for the major federal award programs of Linn-Benton Community College expresses an unmodified opinion.
6. No audit findings relative to the major federal award programs of Linn-Benton Community College are reported in this schedule.
7. The programs tested as major programs are as follows:

Program Name	Assistance Listing Number
Education Stabilization Fund	84.425
Higher Education Institutional Aid – Strengthening Institutions	84.031A

8. The threshold for distinguishing Type A programs from Type B programs was \$750,000.
9. Linn-Benton Community College was determined to be a low-risk auditee.

B - FINDINGS, FINANCIAL STATEMENTS AUDIT:

None.

C - FINDINGS AND QUESTIONED COSTS, MAJOR FEDERAL AWARD PROGRAMS AUDIT:

None.