**This guide is provided in accordance with Chapter 11.6(7) of the Code of Iowa. Use of this guide in your practice requires a proper implementation of professional standards. This guide is not a substitute for an understanding of the applicable professional standards. While this guide has been reviewed internally by CPAs within the Auditor of State’s Office and is subject to outside peer review every three years, the guide has not undergone an external Quality Control Material Review or Examination.**

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| **SAMPLE COMMUNITY COLLEGE****INDEPENDENT AUDITOR’S REPORTS****BASIC FINANCIAL StatemenTSAND SUPPLEMENTARY INFORMATION****SCHEDULE OF FINDINGS AND QUESTIONED COSTSJUNE 30, 2023** |

|  |  |
| --- | --- |
|  | ====== Office of ======**AUDITOROF STATE****State Capitol Building • Des Moines, Iowa**======================= |
|  |  |
|  | **Rob Sand****Auditor of State** |

Practitioners:

This sample report is presented by the Office of Auditor of State as required by Chapter 11.6 of the Code of Iowa. In developing this report, we have made every effort to ensure the highest professional standards have been followed while attempting to provide meaningful and useful information to the citizens, our ultimate client.

Audits of community colleges should be performed in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and, if applicable, Title 2, U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance).

This sample report has been prepared in conformity with U.S. generally accepted accounting principles and conforms to guidelines provided in Governmental Accounting and Financial Reporting Standards published by the Governmental Accounting Standards Board.

The format shows the basic financial statements, required and supplementary information and the Schedule of Findings and Questioned Costs which are necessary to meet the requirements of this Office. The detail presented in the financial statements and supplementary information is the minimum breakdown that will be acceptable subject, of course, to materiality considerations. If the auditor and the community college feel more detail is necessary to provide a fair presentation, this of course will be welcome. A sample such as this cannot present all situations which you may encounter, so the auditor’s professional judgment must be used in determining the additional information to be shown as well as the footnotes to be presented.

Community colleges with $750,000 or more of federal expenditures are required to receive a Single Audit in accordance with the Uniform Guidance. Any questions concerning single audit requirements should be directed to the Iowa Department of Education or the U.S. Department of Education:

|  |  |
| --- | --- |
| Iowa Department of EducationDivision of Community CollegesGrimes Building400 East 14th StreetDes Moines, IA 50319-0146(515) 281-4729 | Office of Inspector GeneralUnited States Department of Education8930 Ward Parkway, Suite 2401Kansas City, MO 64114-3302(816) 268-0500 |

In accordance with the Uniform Guidance, the reporting package and Data Collection Form shall be submitted to the central clearinghouse the earlier of 30 days after issuance of the audit report or 9 months after the reporting period. The Office of Management and Budget has designated the United States Department of Commerce, Bureau of the Census as the Single Audit Clearinghouse. The Data Collection Form and reporting package must be submitted using the Clearinghouse’s Internet Data Entry System at <https://harvester.census.gov/facweb/>. The system requires the reporting package be uploaded in a single PDF file. Both the auditee and auditor contacts receive automated e-mails from the Federal Audit Clearinghouse as verification of the submission.

Under Rule 15c2-12 of the Securities and Exchange Commission governing ongoing disclosure by municipalities to the bond markets, virtually any municipality which issues more than $1 million of securities per issue is subject to an ongoing filing responsibility. All continuing disclosure submissions must be provided to the Municipal Securities Rulemaking Board (MSRB) through its Electronic Municipal Market Access (EMMA) system. In addition, submissions must be in an electronic format (text-searchable PDF), i.e., not scanned.

The findings on compliance, items 2023-A through 2023-J, detail those items which are to be included regardless of whether there are any instances of non-compliance or not. Any instances of noncompliance in other areas should also be reported.

We have also included a page for listing the staff actually performing the audit. Although we have found this page to be helpful, you are not required to use it.

The results of the audit of the community college student enrollment Schedule of Credit and Contact Hours (Schedule 9) is required to be submitted to the Iowa Department of Education by December 15, 2023. The results may be submitted to the Department as part of the released audit or, if the audit has not been completed and released, with a letter certifying the results of the audit procedures performed.

As required by Chapter 11.14 of the Code of Iowa, the news media are to be notified of the issuance of the audit report by the CPA firm, unless the firm has made other arrangements with the community college for the notification. We have developed a standard news release to be used for this purpose. The news release (paper copy or electronic format) may be completed by the CPA firm or the Community College and submitted to this Office with a **text-searchable** electronic copy of the audit report sent by the CPA firm. Report filing requirements are detailed on the attached listing. We will make the audit report and news release available to the news media in this Office.

In accordance with Chapter 11.6(7) of the Code of Iowa, this Office is to be notified immediately regarding any suspected embezzlement, theft or other significant financial irregularities.

Finally, I would like to express my appreciation to all CPA firms who are providing audit or other services to community colleges. Together, we are able to provide a significant benefit to all taxpayers in the State.



 Rob Sand

 Auditor of State

**Report** – The Community College or CPA firm is required to submit an electronic, **text-searchable**, PDF copy of the audit report, including the management letter(s) if issued separately, with this Office upon release to the Community College within nine months following the end of the fiscal year subject to audit. Text-searchable files are required for the following reasons:

* The files created are much smaller in size than scanned-image files. Accordingly, text-searchable files require less storage space.
* Text-searchable files are required by the Census bureau when submitting Data Collection Forms and Single Audit reporting packages (i.e., consistent with Federal requirements).
* Text-searchable files provide transparency to the public.

**Per Diem Audit Billing and News Release** – A copy of the CPA firm's per diem audit billing, including total cost and hours, and a copy of the news release or media notification should also be submitted. These items can be submitted as either paper copies or electronic copies.

**Filing Fee** – The filing fee should be submitted based on the following designated budget strata:

|  |  |
| --- | --- |
| Budgeted Expenditures in | Filing |
| Millions of Dollars | Fee Amount |
| Under 1 | $ 100 |
| At least 1 but less than 3 |  175 |
| At least 3 but less than 5 |  250 |
| At least 5 but less than 10 |  425 |
| At least 10 but less than 25 |  625 |
| 25 and over |  850 |

**Submission** – Electronic submission (text-searchable PDF) of the audit report, per diem audit billing and news release should be e-mailed to SubmitReports@AOS.iowa.gov.

If you are unable to e-mail the PDF files, you may mail a CD containing the files to this Office. You may direct any questions about submitting electronic files to the above e-mail address.

An electronic (PDF format) copy of the audit report, including the management letter(s) if issued separately, should also be filed with the Iowa Department of Education. Each report should be submitted by e-mail attachment to ED.Audit@iowa.gov. For more information, call (515) 281-5293.

Notify the College to remit the filing fee to the following address:

Office of Auditor of State

State Capitol Building

Room 111

1007 East Grand Avenue

Des Moines, IA 50319-0001

1. Implemented GASB (GASBS) No. 96, Subscription-Based Information Technology Arrangements (SBITAs). The following changes have been made to the Sample Report:
* Revised the Independent Auditor’s Report to include an emphasis of a matter paragraph to address adoption of new accounting guidance related to GASBS No. 96.
* Revised language to Note 1 adding intangible right-to-use IT subscription asset for capital assets and subscription liability.
* Revised Long-Term Liabilities note to include IT subscription liability.
* Note 13 is an example of a note disclosure for the restatement of the beginning balance as a result of GASB 96.
1. The College may have a public-private or public-public partnership arrangement requiring reporting under GASB No. 94. The Sample Report was not modified to reflect this statement. Review GASB 94 for reporting requirements if the College has a PPP arrangement.

Additional Notes

1. Also attached are a sample Corrective Action Plan for Audit Findings (See **Sample A**) and a sample Summary Schedule of Prior Audit Findings (See **Sample B**). These are provided for illustrative purposes only and are not intended to match the findings shown in the sample entity nor are they required to be filed with this Office.
2. If the College has deposits in credit unions at June 30, 2023, Note 2 should be modified to indicate whether the deposits were covered by federal depository insurance, collateralized with securities or letters of credit held by the College or the College’s agent in the College’s name or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa.
3. Following is an example footnote for an early retirement or other benefit plan or policy which meets the definition of a “termination benefit” as defined by GASB Statement No. 47.

**Sample Note –Termination Benefits**

In September 2022, the College approved a voluntary early retirement plan for employees. The plan was only offered to employees for one year. Eligible employees must have completed at least fifteen years of full-time service to the College and must have reached the age of fifty-five on or before June 30, 2023. The application for early retirement was subject to approval by the Board of Directors and no more than five employees per year will be granted benefits under the policy.

Early retirement benefits are equal to 60% of the employee’s regular contractual salary in effect during the employee’s last year of employment, with a maximum retirement benefit of $30,000.

The policy requires early retirement benefits be paid in three equal annual installments beginning July 1, 2023.

At June 30, 2023, the College has obligations to ten participants with a total liability of $171,285. Actual early retirement expenditures for the year ended June 30, 2023 totaled $125,534.

1. If the College provides a supplemental pension plan in accordance with GASB Statement No. 73, footnote disclosure and required supplementary information should follow the appropriate guidance. An example is included in Sample Community School District additional notes.

Sample Community College
Corrective Action Plan
Year Ended June 30, 2023

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Comment Number | Comment Title | Corrective Action Plan | Contact Person,Title,Phone Number | AnticipatedDate ofCompletion |
| 2023-001 | Segregation of Duties | We have reviewed procedures and plan to make the necessary changes to improve internal control. | Tom Claim,Administrator,(515) YYY-XXXX | November 2, 2023 |
| 2023-002 | Financial Reporting | We will revise our current procedures to ensure the proper amounts are recorded in the financial statements in the future. | Joe Smith,Program Director,(515) YYY-XXXX | November 2, 2023 |
| 2023-003 | Unsupported Expenditures | We will revise our procedures so documentation (e.g., invoices and timecards) is maintained to support federal expenditures. We returned the $25,589 of questioned costs to the Iowa Economic Development Authority on November 3, 2023. | Tom Claim,Administrator,(515) YYY-XXXX | Documentation to support expenditures will be maintained effective immediately. The questioned costs were returned to the Iowa Economic Development Authority on November 3, 2023. |
| 2023-004 | Segregation of Duties over Federal Revenues | We have reviewed procedures and plan to make the necessary changes to improve internal control. Specifically, the custody, record-keeping and reconciling functions currently performed by the Deputy Treasurer will be separated and spread among the Treasurer, Deputy Treasurer and Clerk. | Julie Ledger,Treasurer,(515) YYY-XXXX | November 2, 2023 |
| 2023-005 | Financial Reporting | We have implemented an independent review process which requires review by the Program Director, effective immediately. In addition, beginning with the December 2023 quarterly report, we will submit federal financial reports within the required time frame. | Joe Smith,Program Director,(515) YYY-XXXX | Review procedures have been implemented. Timely report filing will begin with the quarter ending December 2023. |

**In accordance with Uniform Guidance Section 200.511(a), the Corrective Action Plan must include findings relating to the financial statements which are required to be reported in accordance with Government Auditing Standards.**

|  |  |  |  |
| --- | --- | --- | --- |
| CommentReference | Comment Title | Status | If not corrected, provide reason for finding’s recurrence and planned corrective action or other explanation |
| 2020-0012021-0012022-001 | Minority Business Enterprise/Women Business Enterprise(MBE/WBE) | No longer valid;does not warrant further action. | Over two years have passed since the reporting of this audit finding. The Grantor Agency has not followed up on this finding, nor has a management decision been issued on its part. |
| 2021-0022022-002 | Segregation of Duties over Federal Revenues | Not corrected. | Limited staff resulting from staff turnover. Plan to segregate duties for custody, recordkeeping and reconciling among staff when positions are filled. |
| 2022-003 | Capital Assets | Corrective action taken. |  |
| 2022-004 | Financial Reporting | Partially corrected. | Time was necessary to develop and implement review procedures.Timely report filing will begin with the quarter ending December 2023. |

Sample Community College
Summary Schedule of Prior Audit Findings
Year ended June 30, 2023

**In accordance with Uniform Guidance Section 200.511(a), the Summary Schedule of Prior Audit Findings must also include findings relating to the financial statements which are required to be reported in accordance with Government Auditing Standards.**

|  |  |  |
| --- | --- | --- |
|  | NEWS RELEASE |  |
|  |  | Contact:               |
| FOR RELEASE |  |  |

Auditor of State Rob Sand today released an audit report on Sample Community College in Premium City, Iowa.

**FINANCIAL HIGHLIGHTS:**

The College’s operating revenues totaled $\_\_\_\_\_\_\_ for the year ended June 30, 2023, a(n) \_\_ % increase (decrease). Operating expenses for the year ended June 30, 2023 totaled $\_\_\_\_\_\_\_, a(n) \_\_ % increase (decrease). The significant increase (decrease) in revenues and expenses is due primarily to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**AUDIT FINDINGS:**

Sand reported three findings related to the receipt and expenditure of taxpayer funds. They are found on pages 94 through 98 of this report. The findings address issues such as material amounts of receivables, payables and capital asset additions not recorded in the College’s financial statements, a lack of independent review of student Title IV assistance withdrawal calculations and a lack of adequate supporting documentation for credit and contact hours reported. Sand provided the College with recommendations to address each of the findings.

One of the findings discussed above is repeated from the prior year. The Board of Directors has a fiduciary responsibility to provide oversight of the College’s operations and financial transactions. Oversight is typically defined as the “watchful and responsible care” a governing body exercises in its fiduciary capacity.

**(NOTE to CPAs: Include significant findings, including material weaknesses, significant non-compliance and all Federal findings. Auditor judgement should be used to determine which significant deficiencies reported under Government Auditing Standards, if any, should be included.)**

A copy of the audit report is available for review on the Auditor of State’s website at
[Audit Reports – Auditor of State](https://auditor.iowa.gov/audit-reports).

# # #

**SAMPLE COMMUNITY COLLEGE**
 **INDEPENDENT AUDITOR’S REPORTS
BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2023**

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**Sample Community College

Officials**

 Term
Name Title Expires

**Board of Directors**

Marsha P. Edberg President 2027

Joseph Dijon Vice President 2025

Diana S. Dante Member 2025

Sandra D. Jamison Member 2025

Davis S. Townsend Member 2025

Jessica Valens Member 2025

C. Barrett Cheltsey Member 2027

Duncan Delancy Member 2027

Nicole E. Redmon Member 2027

**Community College**

Dr. Elizabeth A. Rosecranz President

Morris Cody Business Manager and Board Secretary

William G. Whaley Board Treasurer

Sample Community College

Independent Auditor’s Report

To the Board of Directors of
Sample Community College:

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business type activities and the fiduciary activities of Sample Community College, Premium City, Iowa, and its aggregate discretely presented component units as of and for the year ended June 30, 2023, and the related Notes to Financial Statements, which collectively comprise the College’s basic financial statements listed in the table of contents.

In our opinion, based on our audit and the report of others auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business type activities and the fiduciary activities of Sample Community College and its aggregate discretely presented component units as of June 30, 2023 and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

We did not audit the financial statements of the Sample Community College Facilities Foundation and Sample Community College Foundation (discretely presented component units of the Community College, which represent 100% of the assets and revenues of the discretely presented component units as of June 30, 2023. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of Sample Community College, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 13 to the financial statements, Sample Community College adopted new accounting guidance related to Governmental Accounting Standards Board Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA). Our opinions are not modified with respect to this matter. **(If you have a restatement of capital assets and liabilities, refer to the accounting change Note 13.)**

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sample Community College’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinions. 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 GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

* Exercise professional judgement and maintain professional skepticism throughout the audit.
* Identify and assess the risks of material misstatement of the financial statements, 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 the amounts and disclosures in the financial statements.
* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sample Community College’s internal control. Accordingly, no such opinion is expressed.
* Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
* Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Sample Community College’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis, the Schedule of the College’s Proportionate Share of the Net Pension Liability, the Schedule of College Contributions and the Schedule of Changes in the College’s Total OPEB Liability, Related Ratios and Notes on pages 8 through 14 and 50 through 58 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Sample Community College’s basic financial statements. We previously audited, in accordance with the standards referred to in the fourth paragraph of this report, the financial statements for the nine years ended June 30, 2022 (which are not presented herein) and expressed unmodified opinions on those financial statements. The supplementary information included in Schedules 1 through 12, including the Schedule of Expenditures of Federal Awards required by Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance), is presented for purposes of additional analysis 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 GAAS. In our opinion, the supplementary information in Schedules 1 through 12 is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 1, 2023 on our consideration of Sample Community College’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the College’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Sample Community College’s internal control over financial reporting and compliance.

 Ernest H. Ruben, Jr., CPA

 Deputy Auditor of State

November 1, 2023

MANAGEMENT’S DISCUSSION AND ANALYSIS

Sample College provides this Management’s Discussion and Analysis of its annual financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2023. We encourage readers to consider this information in conjunction with the College’s financial statements, which follow.

**2023 Financial Highlights**

* The College implemented Governmental Accounting Standards Board Statement (GASBS) No. 96, Subscription-Based Information Technology Arrangements (SBITAs), during fiscal year 2023. The implementation of this standard revised certain asset and liability accounts related to SBITAs, however, had no effect on the beginning net position.
* Operating revenues increased 2.1%, or approximately $164,000, during fiscal year 2023.
* Operating expenses decreased less than 1.0% or approximately $134,000, during fiscal year 2023. Liberal arts and sciences and depreciation expenses increased, while cooperative services and auxiliary enterprises expenses decreased.
* The College’s net position increased 64.4%, or approximately $1,972,000, during fiscal year 2023.

**Using This Annual Report**

The annual report consists of a series of financial statements and other information, as follows:

Management’s Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the College’s financial activities.

The Basic Financial Statements consist of a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position and a Statement of Cash Flows. These provide information about the activities of the College as a whole and present an overall view of the College’s finances. The remaining financial statements provide information about activities for which Sample College acts solely as an agent or custodian for the benefit of those outside of College government (Custodial Funds).

Notes to Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Required Supplementary Information presents the College’s proportionate share of the net pension liability and related contributions, as well as presenting the Changes in the College’s Total OPEB Liability, Related Ratios and Notes.

Supplementary Information provides detailed information about the individual funds. The Budgetary Comparison Schedule of Expenditures – Budget to Actual further explains and supports the financial statements with a comparison of the College’s budget for the year. The Schedule of Expenditures of Federal Awards provides details of various federal programs benefiting the College.

**REPORTING THE COLLEGE’S FINANCIAL ACTIVITIE**

*The Statement of Net Position*

The Statement of Net Position presents financial information on all of the College’s assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. The Statement of Net Position is a point-in-time financial statement. The purpose of this statement is to present a fiscal snapshot of the College to the readers of the financial statements. The Statement of Net Position includes year-end information concerning current and noncurrent assets, deferred outflows of resources, current and noncurrent liabilities, deferred inflows of resources and net position. Over time, readers of the financial statements will be able to determine the College’s financial position by analyzing the increases and decreases in net position. This statement is also a good source for readers to determine how much the College owes to outside vendors and creditors. The statement also presents the available assets which can be used to satisfy those liabilities.

**Net Position**

**Comparison of Net Position**

Net position increased 64.4% or approximately $1,972,000 over the prior year.

The largest portion of the College’s net position is invested in capital assets (e.g., land, buildings, intangibles and equipment), less the related debt. The debt related to the investment in capital assets is liquidated with resources other than capital assets. The net investments in capital assets increased approximately $766,000 over the prior year, primarily due to construction in progress related to building renovations.

Restricted net position represents resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used.

Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - increased approximately $1,205,000 due to decreasing operating expenses from a reduction in personnel.

*Statement of Revenues, Expenses and Changes in Net Position*

Changes in total net position presented in the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses and Changes in Net Position. The purpose of the statement is to present the revenues earned by the College, both operating and non-operating, the expenses incurred by the College, both operating and non-operating, and any other revenues, expenses, gains and losses received or spent by the College.

In general, a public college, such as Sample Community College, will report an operating loss since the financial reporting model classifies state appropriations and property tax as non-operating revenues. Operating revenues are received for providing goods and services to the students, customers and constituencies of the College. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues and to carry out the mission of the College. Non-operating revenues are revenues received for which goods and services are not provided. The utilization of capital assets is reflected in the financial statements as depreciation/amortization, which allocates the cost of an asset over its expected useful life.

**Changes in Net Position**

The Statement of Revenues, Expenses and Changes in Net Position reflects an increase of 64.4%, or approximately $1,972,000, as a result of operations during fiscal year 2023.

**Total Revenues by Source**

|  |  |
| --- | --- |
|  |  |

In fiscal year 2023, operating revenues increased approximately $164,000 or approximately 2.1%. The increase was a result of the following changes:

* Tuition and fees increased approximately $60,000 due to a slight increase in the number of students.
* Although federal student financial aid programs increased due to the increase in students, federal appropriations overall decreased approximately $148,000.
* Revenues from auxiliary enterprises increased approximately $155,000, due partially to additional students purchasing books and supplies. The bookstore was expanded during the year to offer items for resale.

**Operating Expenses**

**Total Expenses**

In fiscal year 2023, operating expenses increased by less than 1.0%, or approximately $134,000. The following factors explain some of the changes:

* Liberal arts and sciences, career and technical and adult education, the three functions relating to student instruction, increased approximately $164,000. This was due to increases in the number of students, personal services and expenses for postemployment benefits.
* Cooperative services decreased approximately $207,000 as a result of smaller payments made to the companies participating in the Iowa Industrial New Jobs Training Program. These expenses are dependent on the needs of the participating companies.
* Expenses for auxiliary enterprises decreased approximately $112,000.

*Statement of Cash Flows*

The Statement of Cash Flows is an important tool in helping users assess the College’s ability to generate future net cash flows, its ability to meet its obligations as they come due and its need for external financing. The Statement of Cash Flows presents information related to cash inflows and outflows, summarized by operating, non-capital financing, capital and related financing and investing activities.

**Cash Flows**

Cash used by operating activities includes tuition, fees, operating grants and contracts, net of payments to employees and to suppliers. Cash provided by non-capital financing activities includes state appropriations, Pell Grant, local property tax received by the College and the receipt and disbursement of federal direct loan program proceeds. Cash used by capital and related financing activities represents the proceeds from debt, the principal and interest payments on debt and the purchase of capital assets. Cash provided by investing activities includes investment income received.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At June 30, 2023, the College had approximately $12.4 million invested in capital assets, net of accumulated depreciation/amortization of approximately $6.9 million. Depreciation/amortization expense totaled $1,292,069 for fiscal year 2023. Details of capital assets are shown below.

**Capital Assets, Net, at Year-End**

Planned capital expenditures for the fiscal year ending June 30, 2023 and beyond includes completion of the new academic building. The College will spend approximately $125,000 on computer equipment and technology upgrades for the computer lab. The College also plans to repair/replace roofs on campus buildings at an estimated cost of $75,000. More detailed information about the College’s capital assets is presented in Note 4 to the financial statements.

**Debt**

At June 30, 2023, the College had approximately $15.4 million of debt outstanding, an increase of $585,186 from June 30, 2022. The table below summarizes these amounts by type.

**Outstanding Debt**

More detailed information about the College’s outstanding debt is presented in Note 5 to the financial statements.

**Economic Factors**

Sample Community College continued to improve its financial position during the current fiscal year. However, the current condition of the economy in the state continues to be a concern for College officials. Some of the realities which may potentially become challenges for the College to meet are:

* State aid for fiscal year 2024 was increased 2% over fiscal year 2023.
* Expenses will continue to increase. As the number of students increases, the costs associated with serving them continue to increase.
* Facilities at the College require constant maintenance and upkeep.
* Technology continues to expand, and current technology becomes outdated, presenting an ongoing challenge to maintain up to date technology at a reasonable cost.

The College anticipates the current fiscal year will be much like the last and will maintain a close watch over resources to maintain the College’s ability to react to unknown issues.

**Contacting the College’s Financial Management**

This financial report is designed to provide our customers, taxpayers in the community college district and our creditors with a general overview of the College’s finances and to demonstrate the College’s accountability for the resources it receives. If you have questions about the report or need additional financial information, contact Sample Community College, 5555 Main Street, Premium City, Iowa 55555.

**Basic Financial Statements**

Sample Community College

Statement of Net Position

June 30, 2023

Sample Community College

Statement of Net Position

June 30, 2023

Sample Community College

Statement of Revenues, Expenses and
Changes in Net Position
Year ended June 30, 2023

Sample Community College

Statement of Revenues, Expenses and
Changes in Net Position

Year ended June 30, 2023

Sample Community College

Statement of Cash Flows

Year ended June 30, 2023

Sample Community College

Statement of Cash Flows

Year ended June 30, 2023

Sample Community College

Statement of Fiduciary Net Position -
Custodial Funds

June 30, 2023

Sample Community College

Statement of Changes in Fiduciary Net Position -
Custodial Funds

For the Year Ended June 30, 2023

Sample Community College

Statement of Net Assets
Component Units

June 30, 2023

Sample Community College

Statement of Revenues, Expenses and
Changes in Net Assets
Component Units

Year ended June 30, 2023

1. **Summary of Significant Accounting Policies**

Sample Community College is a publicly supported school established and operated by Merged Area XX under the provisions of Chapter 260C of the Code of Iowa. Sample Community College offers programs of adult and continuing education, lifelong learning, community education and up to two years of liberal arts, pre-professional or occupational instruction partially fulfilling the requirements for a baccalaureate degree but confers no more than an associate degree. Sample Community College also offers up to two years of career and technical education, training or retraining to persons who are preparing to enter the labor market. Sample Community College maintains campuses in Premium City and Studentsville, Iowa, and has its administrative offices in Premium City. Sample Community College is governed by a Board of Directors whose members are elected from each director district within Merged Area XX.

The College’s financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

A. Reporting Entity

For financial reporting purposes, Sample Community College has included all funds, organizations, agencies, boards, commissions and authorities. The College has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the College are such that exclusion would cause the College’s financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization’s governing body and (1) the ability of the College to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the College.

These financial statements present Sample Community College (the primary government) and its component units. The component units discussed below are included in the College’s reporting entity because of the significance of their operational or financial relationships with the College. Certain disclosures about the component units are not included because the component units have been audited separately and a report has been issued under separate cover. The audited financial statements are available at the College.

Discrete Component Units

Sample Community College Facilities Foundation is a legally separate not-for-profit foundation. The Facilities Foundation was established for the purpose of maintaining, developing and extending its facilities and services for the benefit of Sample Community College. The Facilities Foundation is governed by a Board of Directors who are appointed by the College. Although the College does not control the timing or amount of receipts from the Facilities Foundation, the majority of the resources held are used for the benefit of Sample Community College and its students. The address of the Facilities Foundation is 123 Foundation Street, Premium City, Iowa 55555.

Sample Community College Foundation is a legally separate, tax-exempt foundation. The Foundation was established for the purpose of maintaining, developing and extending its facilities and services for the benefit of Sample Community College. The Foundation is governed by a Board of Directors who are appointed by the College. Although the College does not control the timing or amount of receipts from the Foundation, the majority of the resources held are used for the benefit of Sample Community College and its students. The address of the College Foundation is 5556 Main Street, Premium City, Iowa 55555.

The Foundations are non-profit organizations which report under accounting standards established by the Financial Accounting Standards Board (FASB). The Foundations’ financial statements were prepared in accordance with the provisions of FASB No. 117, Financial Statements of Not-for-Profit Organizations. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundations’ financial information in the College’s financial reporting for these differences. The Foundations report net assets, which is equivalent to net position reported by the College. Copies of the Foundations’ financial statements may be obtained by contacting the Foundations.

1. Basis of Presentation

GASB Statement No. 35 establishes standards for external financial reporting for public colleges and universities and requires resources to be classified for accounting and reporting purposes into the following net position categories:

Net Investment in Capital Assets – Capital assets, net of accumulated depreciation/amortization and outstanding debt obligations attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position:

Nonexpendable – Net position subject to externally imposed stipulations that they be maintained permanently by the College, including the College’s permanent endowment funds.

Expendable – Net position whose use by the College is subject to externally imposed stipulations that can be fulfilled by actions of the College pursuant to those stipulations or that expire by the passage of time.

Unrestricted Net Position – Net position not subject to externally imposed situations. Resources may be designated for specific purposes by action of management or by the Board of Directors or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net position is designated for academic and general programs of the College.

GASB Statement No. 35 also requires the Statements of Net Position, Revenues, Expenses and Changes in Net Position and Cash Flows be reported on a consolidated basis. These basic financial statements report information on all of the activities of the College. For the most part, the effect of interfund activity has been removed from these statements.

1. Measurement Focus and Basis of Accounting

For financial reporting purposes, Sample Community College is considered a special-purpose government engaged only in business type activities as defined in GASB Statement No. 34. Accordingly, the basic financial statements of the College have been prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

1. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position

Cash, Cash Equivalents and Pooled Investments – Investments are stated at fair value except for the investment in the Iowa Schools Joint Investment Trust which is valued at amortized cost and non-negotiable certificates of deposit which are stated at amortized cost.

For purposes of the Statement of Cash Flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amount of cash and, at the day of purchase, have a maturity date no longer than three months.

Due from Other Governments – This represents state aid, grants and reimbursements due from the State of Iowa and grants and reimbursements due from the Federal government.

Inventories – Inventories are valued at lower of cost (first‑in, first‑out method) or market. The cost is recorded as an expense at the time individual inventory items are consumed.

Property Tax Receivable – Property tax receivable is recognized on the levy or lien date, which is the date the tax asking is certified by the Board of Directors to the appropriate County Auditors. Delinquent property tax receivable represents unpaid taxes from the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Directors to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the Board of Directors is required to certify its budget to the County Auditor prior to June 1 of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is reported as a deferred inflow of resources and will not be recognized as revenue until the year for which it is levied.

Receivable for Iowa Industrial New Jobs Training Program (NJTP) – This represents the amount to be remitted to the College for training projects entered into between the College and employers under the provisions of Chapter 260E of the Code of Iowa. The receivable amount is based on expenditures incurred through June 30, 2023 on NJTP projects, including interest incurred on NJTP certificates, less revenues received to date.

Capital Assets – Capital assets include property, equipment and vehicles and intangibles acquired after July 1, 1980. Capital assets are recorded at historical cost (except for intangible right-to-use lease assets and IT subscription-assets, the measurement of which is discussed under “Leases” and “IT Subscription-Based Information Technology Arrangements” below, respectively) if purchased or constructed. Donated capital assets are recorded at acquisition value. Acquisition value is the price that would have been paid to acquire a capital asset with equivalent service potential. The costs of normal maintenance and repair that do not add to the value of the asset or materially extend asset lives are not capitalized. Intangible assets follow the same capitalization policies as intangible capital assets and are reported with tangible assets in the appropriate capital asset class.) Reportable capital assets are defined by the College as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment and the right-to-use leased assets are depreciated/amortized using the straight-line method over the following estimated useful lives:

The College does not capitalize or depreciate library books. The value of each book falls below the capital asset threshold, and the balance was deemed immaterial to the financial statements.

Leases – **College as Lessee**: Sample Community College is the lessee for a noncancellable lease of equipment. The College has recognized a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements. The College recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of the lease, the College initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how Sample Community College determines the discount rate it uses to discount the expected lease payments to present value, lease term and lease payments.

Sample Community College uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the College generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and a purchase option price the College is reasonably certain to exercise.

The College monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long‐term debt on the statement of net position.

**College as Lessor (Include if College leases any property – none reported in this sample):** Sample Community College is a lessor for a noncancellable lease of school buildings. The College recognizes a lease receivable and a deferred inflow of resources in the government‐wide and governmental fund financial statements.

At the commencement of a lease, the College initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Sample Community College determines the discount rate it uses to discount the expected lease receipts to present value, lease term and lease receipts.

Sample Community College uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The College monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements (SBITA) – Sample Community College has entered into a contract that conveys control of the right to use information technology software. The College has recognized an IT subscription liability and an intangible right-to-use IT subscription asset in the government-wide financial statements. The College recognized IT subscription liabilities with an initial, individual value of $XX,XXX, or more.

At the commencement of the IT subscription term, the College initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the IT subscription liability is reduced by the principal portion of payments made. The right-to-use an IT subscription asset is initially measured as the sum of the initial IT subscription liability, adjusted for payments made at or before the commencement date, plus capitalization implementation costs less any incentives received from the SBITA vendor at or before the commencement of the subscription term. Subsequently, the right-to-use IT subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to IT subscription arrangements include how Sample Community College determines the discount rate it uses to discount the expected payments to present value, term and payments.

Sample Community College uses the interest rate charged by the IT subscription vendor as the discount rate. When the interest rate charged by the vendor is not provided, the College generally uses its estimated incremental borrowing rate as the discount rate.

The IT subscription term includes the noncancellable period of the subscription. Payments included in the measurement of the liability are composed of fixed payments.

The College monitors changes in circumstances that would require a remeasurement of its IT subscription and will remeasure the right-to-use IT subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Right-to-use IT subscription assets are reported with other capital assets and IT subscription liabilities are reported with long‐term debt on the statement of net position.

Deferred Outflows of Resources – Deferred outflows of resources represent a consumption of net position applicable to a future year(s) which will not be recognized as an outflow of resources (expense) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense and contributions from the College after the measurement date but before the end of the College’s reporting period.

Salaries and Benefits Payable – Payroll and related expenses for teachers with annual contracts corresponding to the current school year, which are payable in July and August, have been accrued as liabilities.

Advances from Grantors – Grant proceeds which have been received by the Community College but will be spent in a succeeding fiscal year.

Advances from Others – Advances from others represents fees and rental payments received in the current fiscal year which will not be earned until the following fiscal year.

Compensated Absences – College employees accumulate a limited amount of earned but unused vacation and sick leave hours for subsequent use or for payment upon termination, death or retirement. Amounts representing the cost of compensated absences are recorded as liabilities. These liabilities have been computed based on rates of pay in effect at June 30, 2023.

Refundable Allowances on Student Loans – The Perkins Federal Loan program requires a return of federal capital contribution if the United States Government terminates the program.

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Iowa Public Employees’ Retirement System (IPERS) and additions to/deductions from IPERS’ fiduciary net position have been determined on the same basis as they are reported by IPERS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Total OPEB Liability – For purposes of measuring the total OPEB liability, deferred outflows of resources related to OPEB and OPEB expense, information has been determined based on the Sample Community College’s actuary report. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms.

Deferred Inflows of Resources – Deferred inflows of resources represent an acquisition of net position applicable to a future year(s) which will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources in the Statement of Net Position consists of succeeding year property tax receivable that will not be recognized as revenue until the year for which it is levied, unrecognized items not yet charged to pension expense and the unamortized portion of the net difference between projected and actual earnings on pension plan assets.

Auxiliary Enterprise Revenues – Auxiliary enterprise revenues primarily represent revenues generated by the bookstore, food service, word processing, central stores and athletics.

Tuition and Fees – Tuition and fees revenues are reported net of scholarship allowances, while stipends and other payments made directly to students are presented as scholarship and fellowship expenses.

Operating and Non-operating Activities – Operating activities, as reported in the Statement of Revenues, Expenses and Changes in Net Position, are transactions that result from exchange transactions, such as payments received for providing services and payments made for services or goods received. Non-operating activities include state appropriations, Pell Grants, property tax and interest income.

1. Scholarship Allowances and Student Aid

Financial aid to students is reported in the financial statements under the alternative method, as prescribed by the National Association of College and University Business Officers (NACUBO). Certain aid (loans, funds provided to students as awarded by third parties and Federal Direct Lending) is accounted for as third-party payments (credited to the student’s account as if the student made the payment). All other aid is reflected in the financial statements as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expenses represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Under the alternative method, these amounts are computed on a total College basis by allocating the cash payments to students, excluding payments for services, on the ratio of all aid to the aid not considered to be third party aid.

1. **Cash, Cash Equivalents and Pooled Investments**

The College’s deposits in banks at June 30, 2023 were entirely covered by federal depository insurance or by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to ensure there will be no loss of public funds.

The College is authorized by statute to invest public funds in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured depository institutions approved by the Board of Directors; prime eligible bankers acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; certain joint investment trusts; and warrants or improvement certificates of a drainage district.

At June 30, 2023, the College had the following investments:

The College uses the fair value hierarchy established by generally accepted accounting principles based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs.

The recurring fair value measurement for the U.S. Treasury Note of $502,880 was determined using the last reported sales price at current exchange rates. (Level 1 inputs)

At June 30, 2023, the College had investments in the Iowa Schools Joint Investment Trust (ISJIT), as follows:

The investments are valued at an amortized cost. There were no limitations or restrictions on withdrawals for the ISJIT investments. The investments in ISJIT were rated AAAm by Standard & Poor’s Financial Services.

At June 30, 2023, the College had investments of $210,115 in a diversified portfolio in The Education Liquidity Fund (TELF). The investments are valued at an amortized cost. There were no limitations or restrictions on withdrawals for the TELF investments.

Component Unit

The College Foundation (Foundation) categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Foundation has the following recurring fair value measurement as of June 30, 2023:

Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs.

Interest rate risk – The College’s investment policy limits the investment of operating funds (funds expected to be expended in the current budget year or within 15 months of receipt) to instruments that mature within 397 days. Funds not identified as operating funds may be invested in investments with maturities longer than 397 days, but the maturities shall be consistent with the needs and use of the College.

1. **Inventories**

The College’s inventories at June 30, 2023 are as follows:

1. **Capital Assets**

Capital assets activity for the year ended June 30, 2023 is as follows:

Equipment includes $605,000 of assets acquired under an equipment purchase agreement. Accumulated depreciation on this equipment totaled $186,541 at June 30, 2023.

1. **Lease Receivable**

The College owns property it leases to other State of Iowa agencies. On March 1, 2023, the College entered into a four-year agreement to rent office space to Iowa Department of Administrative Services. The College is to receive $9,727 monthly with an estimated implicit interest rate of 2.0% with final receipt due February 28, 2027. During the year ended June 30, 2022, the College received $35,298 in principal and $3,612 in interest.

1. **Long-Term Liabilities**

A summary of changes in long-term liabilities for the year ended June 30, 2023 is as follows:

Anticipatory Warrants – Direct Borrowing

Anticipatory warrants are warrants which are legally drawn on College funds but are not paid for lack of funds, in accordance with Chapter 74 of the Code of Iowa. The warrants bear interest at rates in effect at the time the warrants are first presented for redemption. Warrants will be paid as funds are available.

During the year ended June 30, 2023, the College issued $2,317,587 of anticipatory warrants at 4.25% interest per annum for building construction.

Equipment Purchase Agreement -Direct Borrowing

On May 25, 2016, the College entered into a purchase agreement for information technology equipment with a total cost of $605,000. The agreement also requires the payment of normal maintenance charges. The agreement bears interest at 3.35% per annum and is payable in semi-annual installments over 12 years, with a final payment of $33,000 due by May 25, 2029.

The following is a schedule by year of future minimum lease payments and the present value of net minimum lease payments under the agreement described above in effect at June 30, 2023:

During the year ended June 30, 2023, principal and interest paid were $52,414 and $13,586, respectively.

Right-To-Use Lease Agreements

On July 1, 2022, the College entered into a lease agreement for building rental to house divisions of the College with an initial lease liability of $447,094. The agreement requires annual payments of $120,904 over 4 years, with an implicit interest rate of 5.5% and final payment due July 1, 2025.

Future principal and interest payments as of June 30, 2023 are as follows:

IT Subscription Liability

On July 1, 2022 the College entered into a subscription license and services information technology agreement with a vendor for financial and educational software with an initial subscription liability of $893,518. The agreement requires annual payments ranging from $148,919 to $208,868 over six years with an escalation rate increasing each annual payment of 7.00% each year and an implicit rate of 7.00% with final payment due July 1, 2027. During the year ended June 30, 2023, the College paid the initial principal of $148,919 at commencement of the subscription.

Future principal and interest payments as of June 30, 2023 are as follows:

Certificates Payable

In accordance with agreements dated between May 15, 2013 and March 11, 2023, the College issued certificates totaling $5,642,000 with interest rates ranging from 3.75% to 7.80% per annum. The debt was incurred to fund the development and training costs related to implementing Chapter 260E of the Code of Iowa, Iowa Industrial New Jobs Training Program (NJTP). NJTP’s purpose is to provide tax-aided training for employees of industries which are new to or are expanding their operations within the State of Iowa. Interest is payable semiannually, while principal payments are due annually. The certificates are to be retired by proceeds from anticipated job credits from withholding tax, incremental property tax, budgeted reserves and, in the case of default, from standby property tax. During the year ended June 30, 2023, principal and interest paid were $175,000 and $273,768, respectively.

The certificates will mature as follows:

Notes Payable

The College issued notes dated July 1, 2016 for the purchase and construction of College properties as allowed by Section 260C.19 of the Code of Iowa. The notes bear interest ranging from 4.00% to 4.10% per annum. During the year ended June 30, 2023, principal and interest paid were $440,000 and $70,870 respectively. Details of the College’s outstanding notes at June 30, 2023 are as follows:

Bonds Payable

The College issued bonds dated July 1, 2017 for the construction of the Career Technologies Building as allowed by Section 260C.19 of the Code of Iowa. The notes bear interest ranging from 4.60% to 5.30% per annum. During the year ended June 30, 2023, principal and interest paid were $325,000 and $394,275, respectively. Details of the College’s bonded indebtedness at June 30, 2023 are as follows:

1. **Iowa Public Employees’ Retirement System (IPERS)**

Plan Description – IPERS membership is mandatory for employees of the College except for those covered by another retirement system. Employees of the College are provided with pensions through a cost-sharing multiple employer-defined benefit pension plan administered by IPERS. IPERS issues a stand-alone financial report which is available to the public by mail at PO Box 9117, Des Moines, Iowa 50306-9117 or at www.ipers.org.

IPERS benefits are established under Iowa Code Chapter 97B and the administrative rules thereunder. Chapter 97B and the administrative rules are the official plan documents. The following brief description is provided for general informational purposes only. Refer to the plan documents for more information.

Pension Benefits – A Regular member may retire at normal retirement age and receive monthly benefits without an early-retirement reduction. Normal retirement age is age 65, any time after reaching age 62 with 20 or more years of covered employment or when the member’s years of service plus the member’s age at the last birthday equals or exceeds 88, whichever comes first. These qualifications must be met on the member’s first month of entitlement to benefits. Members cannot begin receiving retirement benefits before age 55. The formula used to calculate a Regular member’s monthly IPERS benefit includes:

* A multiplier based on years of service.
* The member’s highest five-year average salary, except members with service before June 30, 2012 will use the highest three-year average salary as of that date if it is greater than the highest five-year average salary.

If a member retires before normal retirement age, the member’s monthly retirement benefit will be permanently reduced by an early-retirement reduction. The early-retirement reduction is calculated differently for service earned before and after July 1, 2012. For service earned before July 1, 2012, the reduction is 0.25% for each month the member receives benefits before the member’s earliest normal retirement age. For service earned on or after July 1, 2012, the reduction is 0.50% for each month the member receives benefits before age 65.

Generally, once a member selects a benefit option, a monthly benefit is calculated and remains the same for the rest of the member’s lifetime. However, to combat the effects of inflation, retirees who began receiving benefits prior to July 1990 receive a guaranteed dividend with their regular November benefit payments.

Disability and Death Benefits – A vested member who is awarded federal Social Security disability or Railroad Retirement disability benefits is eligible to claim IPERS benefits regardless of age. Disability benefits are not reduced for early retirement. If a member dies before retirement, the member’s beneficiary will receive a lifetime annuity or a lump-sum payment equal to the present actuarial value of the member’s accrued benefit or calculated with a set formula, whichever is greater. When a member dies after retirement, death benefits depend on the benefit option the member selected at retirement.

Contributions – Contribution rates are established by IPERS following the annual actuarial valuation which applies IPERS’ Contribution Rate Funding Policy and Actuarial Amortization Method. State statute limits the amount rates can increase or decrease each year to 1 percentage point. IPERS Contribution Rate Funding Policy requires the actuarial contribution rate be determined using the “entry age normal” actuarial cost method and the actuarial assumptions and methods approved by the IPERS Investment Board. The actuarial contribution rate covers normal cost plus the unfunded actuarial liability payment based on a 30-year amortization period. The payment to amortize the unfunded actuarial liability is determined as a level percentage of payroll based on the Actuarial Amortization Method adopted by the Investment Board.

In fiscal year 2023, pursuant to the required rate, Regular members contributed 6.29% of covered payroll and the College contributed 9.44% of covered payroll, for a total rate of 15.73%.

The College’s contributions to IPERS for the year ended June 30, 2023 totaled $280,650.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2023, the College reported a net pension liability of $2,221,968 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The College’s proportion of the net pension liability was based on the College’s share of contributions to IPERS relative to the contributions of all IPERS participating employers. At June 30, 2022, the College’s proportion was 0.048431%, which was an increase of 0.000035% from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the College recognized pension expense of $141,273. At June 30, 2023, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

$280,650 reported as deferred outflows of resources related to pensions resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

There were no non-employer contributing entities to IPERS.

ActuarialAssumptions – The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of a quadrennial experience study covering the period of July 1, 2017 through June 30, 2021.

Mortality rates used in the 2022 valuation were based on the PubG-2010 mortality tables with future mortality improvements modeled using Scale MP-2021.

The long-term expected rate of return on IPERS’ investments was determined using a building-block method in which best-estimate ranges of expected future real rates (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Discount Rate – The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed employee contributions will be made at the contractually required rate and contributions from the College will be made at contractually required rates, actuarially determined. Based on those assumptions, IPERS’ fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on IPERS’ investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the College’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the College’s proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the College’s proportionate share of the net pension liability would be if it were calculated using a discount rate 1% lower (6.00%) or 1% higher (8.00%) than the current rate.

IPERS Fiduciary Net Position – Detailed information about IPERS’ fiduciary net position is available in the separately issued IPERS financial report which is available on IPERS’ website at [www.ipers.org](http://www.ipers.org).

Payables to IPERS– At June 30, 2023, the College reported payables to IPERS of $19,007 for legally required College contributions and $12,664 for legally required employee contributions withheld from employee wages which had not yet been remitted to IPERS.

1. **Teachers Insurance and Annuity Association (TIAA)**

As required by Chapter 97B.42 of the Code of Iowa, all eligible College employees must participate in a retirement plan from the date they are employed. In lieu of participating in IPERS, eligible employees may participate in the Iowa Association of Community College Trustees 403(a) plan, which is a defined contribution pension plan administered by the Teachers Insurance and Annuity Association (TIAA). The defined contribution retirement plan provides individual annuities for each plan participant.

Benefit terms, including contribution requirements, for TIAA are established and specified by the plan with TIAA and in accordance with the Code of Iowa. For each employee in the pension plan, the College is required to contribute 9.44% of annual salary, including overtime pay, to an individual employee account. Each employee is required to contribute 6.29%. Contributions made by both the College and employees vest immediately. For the year ended June 30, 2023, employee contributions totaled $39,883 and the College recognized pension expense of $62,023.

At June 30, 2023, the College reported payables to the TIAA of $2,507 for legally required College contributions and $1,633 for legally required employee contributions which had been withheld from employee wages but not yet remitted to TIAA.

1. **Other Postemployment Benefits (OPEB)**

Plan Description – The College administers a single-employer benefit plan which provides medical and prescription drug benefits for employees, retirees and their spouses. Group insurance benefits are established under Iowa Code Chapter 509A.13. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

OPEB Benefits – Individuals who are employed by the College are eligible to participate in the group health plan are eligible to continue healthcare benefits upon retirement. Retirees under age 65 pay the same premium for the medical and prescription drug benefits as active employees, which results in an implicit rate subsidy and an OPEB liability.

Retired participants must be age 55 or older at retirement. At June 30, 2023, the following employees were covered by the benefit terms:

Total OPEB Liability – The College’s total OPEB liability of $340,000 was measured as of June 30, 2023 and was determined by an actuarial valuation as of that date.

ActuarialAssumptions – The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and the entry age normal actuarial cost method, applied to all periods included in the measurement.

Discount Rate – The discount rate used to measure the total OPEB liability was 4.09% which reflects the index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of the measurement date.

Mortality rates are from the SOA Public Plan 2010 tables. Annual retirement probabilities are based on varying rates by age and turnover probabilities mirror those used by IPERS.

Changes in the Total OPEB Liability

Changes of assumptions reflect a change in the discount rate from 2.19% in fiscal year 2022 to 4.09% in fiscal year 2023.

Sensitivity of the College’s Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the College, as well as what the College’s total OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.09%) or 1% higher (5.09%) than the current discount rate.

Sensitivity of the College’s Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the College, as well as what the College’s total OPEB liability would be it were calculated using healthcare cost trend rates that are 1% lower (6.50%) or 1% higher (8.50%) than the current healthcare cost trend rates.

OPEB Expense and Deferred Outflows of Resources Related to OPEB – For the year ended June 30, 2023, the College recognized OPEB expense of $29,234. At June 30, 2023, the College reported deferred outflows of resources related to OPEB from the following resources:

The amount reported as deferred outflows of resources related to OPEB will be recognized as OPEB expense as follows:

1. **Insurance Management Program for Area Community Colleges (IMPACC)**

The College is a member of the Insurance Management Program for Area Community Colleges (IMPACC) as allowed by Chapter 504A of the Code of Iowa. IMPACC (Program) is a group self-insurance program whose five members are Iowa Community Colleges. The Program was incorporated in May 1988 for the purpose of managing and funding insurance for its members. The Program provides coverage and protection in the following categories: general liability, employee benefits liability, automobile liability, automobile physical damage, property and inland marine, wrongful acts and educators’ legal liability, workers compensation and employer’s liability, crime and employee fidelity, equipment breakdown (boiler and machinery), foreign liability and cyber liability. There have been no reductions in insurance coverage from prior years except for the cyber liability which was reduced from $5,000,000 in the prior year to $1,000,000.

Each member’s annual contributions to the Program fund current operations and provide capital. Annual operating contributions are those amounts necessary to fund, on a cash basis, the Program’s general and administrative expenses, claims, claims expenses and reinsurance expenses due and payable in the current year.

The College’s contributions to the Program are recorded as prepaid expense from its operating funds at the time of payment. The College amortizes the expense over the periods for which the Program is expected to provide coverage. The College’s contributions to the Program for the year ended June 30, 2023 were $510,272.

The Program uses reinsurance to reduce its exposure to large losses. The Program has a self-insured retention of $350,000 per occurrence for workers compensation and employer’s liability and $250,000 per occurrence for wrongful acts, employee benefits liability and educators’ legal liability. First layer of excess insurance is $1,750,000 per occurrence for property, automobile, general and for wrongful acts, employee benefits liability and educators’ legal liability and $1,650,000 per occurrence for workers compensation. The Program’s annual aggregate retention (loss fund) is $1,000,000 with stop-gap loss protection provided above the loss fund.

The Program’s intergovernmental contract with its members provides that in the event any claim or series of claims exceeds the amount of aggregate excess insurance, then payment of such claims shall be the obligation of the respective individual member. The College does not report a liability for losses in excess of reinsurance unless it is deemed probable such losses have occurred and the amount of such loss can be reasonably estimated. Accordingly, at June 30, 2023, no liability has been recorded in the College’s financial statements. As of June 30, 2023, settled claims have not exceeded the Program’s coverage in any of the past three fiscal years.

Members agree to continue membership in the Program for a period of not less than three full years. After such period, a member who has given sufficient notice, in compliance with the
By-laws, may withdraw from the Program. Upon withdrawal, payments for all claims and claims expenses for the years of membership continue until all claims for those years are settled.

The College also carries commercial insurance purchased from other insurers for coverage associated with catastrophic, accidental death and dismemberment, and underground storage tanks. The College assumes liability for any deductibles and claims in excess of coverage limits. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

1. **Deferred Compensation Plan**

The College offers a deferred compensation plan to its employees in accordance with Internal revenue Code Section 457. The 457 Plan is available to all employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights must be held in trust for the exclusive benefit of plan participants and beneficiaries. The funds are invested and held by the ABC Retirement Corporation and do not constitute a liability of the College.

1. **New Jobs Training Programs**

The College administers the Iowa Industrial New Jobs Training Program (NJTP) in Area XX in accordance with Chapter 260E of the Code of Iowa. NJTP’s purpose is to provide tax-aided training or retraining for employees of industries which are new to or are expanding their operations within the State of Iowa. Certificates are sold by the College to fund approved projects and are to be retired by proceeds from anticipated jobs credits from withholding taxes, incremental property tax, budgeted reserves and in the case of default, from standby property tax. Since inception, the College has administered twenty-five projects, with six currently receiving project funding. The remaining nineteen projects have been completed, of which six are in the repayment process and thirteen have been fully repaid.

The College also administers the Iowa Jobs Training Program in Area XX in accordance with Chapter 260F of the Code of Iowa. The current program’s purpose is to provide tax-aided training or retraining for employers of businesses whose training costs cannot be economically funded under Chapter 260F. Approved businesses received forgivable loans from the Workforce Development Fund, a State administered fund. Since inception of this program, the College administered 300 projects. Of these 300 projects, 5 defaulted, 10 withdrew and 25 are active projects.

1. **Tax Abatements**

Governmental Accounting Standards Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

College Tax Abatements

The College provides tax abatements for industrial new jobs training projects with the tax increment financing as provided for in section 403.19 of the Code of Iowa and/or state income tax withholding as provided for in section 260E.5 of the Code of Iowa. For these types of projects, the College enters into agreements with employers which require the College, after employers meet the terms of the agreements, to pay the employers for the costs of on-the-job training not to exceed 50% of the annual gross payroll costs for up to one year of the new jobs. No other commitments were made by the College as part of these agreements.

For the year ended June 30, 2023, the College had no abatements of property tax and $200,000 of state income tax withholding under the projects.

Tax Abatements of Other Entities

Other entities within the Community College also provide tax abatements for urban renewal and economic development projects pursuant to Chapters 15 and 403 of the Code of Iowa. Additionally, the City of Anywhere offered an urban revitalization tax abatement program pursuant to Chapter 404 of the Code of Iowa. With prior approval by the governing body, this program provides for an exemption of taxes based on a percentage of the actual value added by improvements.

Property tax revenues of the College were reduced by the following amounts for the year ended June 30, 2023 under agreements entered into by the following entities:

1. **Accounting Change/Restatement**

**If the College has Subscription-Based Information Technology Arrangements, this note will apply if there is a restatement of the beginning balances.**

Governmental Accounting Standards Board Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs) was implemented during fiscal year 2023. The new requirements require the reporting of certain right-to-use subscription-based IT arrangements and liabilities which were previously not reported. The result of these changes had no effect on the beginning net position.

1. **Subsequent Events**

Anticipatory Warrants – On July 18, 2023, the College issued anticipatory warrants for $2,345,000. The debt was incurred as allowed by Chapter 74 of the Code of Iowa and must be repaid by July 13, 2024.

Iowa Industrial New Jobs Training Program (NJTP) – On August 22, 2023, the College issued certificates totaling $810,000 for a NJTP project at Attorneysville, Iowa. The debt was incurred as allowed by Chapter 260E of the Code of Iowa and will mature beginning on August 17, 2024.

Required Supplementary Information

Sample Community College

Schedule of the College’s Proportionate Share of the Net Pension Liability

Iowa Public Employees’ Retirement System

For the Last Nine Years\*
(In Thousands)

Required Supplementary Information



Sample Community College

Schedule of College Contributions

Iowa Public Employees’ Retirement System

For the Last Ten Years
(In Thousands)

Required Supplementary Information



Sample Community College

*Changes of benefit term*s:

There is no significant change in benefit terms.

*Changes of assumptions*:

The 2022 valuation incorporated the following refinements after a quadrennial experience study:

* Changed mortality assumptions to the PubG-2010 mortality tables with mortality improvements modeled using Scale MP-2021.
* Adjusted retirement rates for Regular members.
* Lowered disability rates for Regular members.
* Adjusted termination rates for all membership groups.

The 2018 valuation implemented the following refinements as a result of a demographic assumption study dated June 28, 2018:

* Changed mortality assumptions to the RP-2014 mortality tables with mortality improvements modeled using Scale MP-2017.
* Adjusted retirement rates.
* Lowered disability rates.
* Adjusted the probability of a vested Regular member electing to receive a deferred benefit.
* Adjusted the merit component of the salary increase assumption.

The 2017 valuation implemented the following refinements as a result of an experience study dated March 24, 2017:

* Decreased the inflation assumption from 3.00% to 2.60%.
* Decreased the assumed rate of interest on member accounts from 3.75% to 3.50% per year.
* Decreased the discount rate from 7.50% to 7.00%.
* Decreased the wage growth assumption from 4.00% to 3.25%.
* Decreased the payroll growth assumption from 4.00% to 3.25%.

The 2014 valuation implemented the following refinements as a result of a quadrennial experience study:

* Decreased the inflation assumption from 3.25% to 3.00%.
* Decreased the assumed rate of interest on member accounts from 4.00% to 3.75% per year.
* Adjusted male mortality rates for retirees in the Regular membership group.
* Moved from an open 30-year amortization period to a closed 30-year amortization period for the UAL (unfunded actuarial liability) beginning June 30, 2014. Each year thereafter, changes in the UAL from plan experience will be amortized on a separate closed 20-year period.

Sample Community College

Schedule of Changes in College’s
Total OPEB Liability, Related Ratios and Notes
For the Last Six Years

Required Supplementary Information

*Changes in benefit terms:*

There were no significant changes in benefit terms.

*Changes in assumptions:*

The 2023 valuation implemented the following refinements as a result of a new actuarial opinion dated June 30, 2023:

* Changed mortality assumptions to the SOA Public Plan 2010 tables.

Changes in assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

Year ended June 30, 2023 4.09%

Year ended June 30, 2022 2.19%

Year ended June 30, 2021 2.66%

Year ended June 30, 2020 3.51%

Year ended June 30, 2019 3.58%

Year ended June 30, 2018 4.50%

Year ended June 30, 2017 4.25%

No assets were accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Supplementary Information

Supplementary information of the College is presented on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance, revenue and expenditures. The various fund groups and their designated purposes are as follows:

Current Funds – The Current Funds are utilized to account for those economic resources that are expendable for the purpose of performing the primary and supporting missions of the College and consist of the following:

Unrestricted Fund – The Educational and Support subgroup of the Unrestricted Fund accounts for the general operations of the College.

The Auxiliary Enterprises subgroup accounts for activities which are intended to provide non-instructional services for sales to students, staff and/or institutional departments, and which are supplemental to the educational and general objectives of the College.

Restricted Fund – The Restricted Fund is used to account for resources that are available for the operation and support of the educational program, but which are restricted as to their use by donors or outside agencies.

Loan Funds – The Loan Funds are used to account for loans to students and are financed primarily by the federal government.

Endowment Funds – The Endowment Funds are used to account for resources, the principal of which is maintained inviolate to conform with restrictions by donors or other outside agencies. Generally, only the income from these funds may be used.

Plant Funds – The Plant Funds are used to account for transactions relating to investment in the College properties, and consist of the following self-balancing accounts:

Unexpended – This account is used to account for the unexpended resources derived from various sources for the acquisition or construction of plant assets.

Retirement of Indebtedness – This account is used to account for the accumulation of resources for principal and interest payments on plant indebtedness.

Investment in Plant – This account is used to account for the excess of the carrying value of plant assets over the related liabilities.

Custodial Funds – The Custodial Funds are used to account for assets held by the College in a custodial capacity or as an agent for others.

The Budgetary Comparison Schedule of Expenditures – Budget to Actual provides a comparison of the budget to actual expenditures for those funds and/or levies required to be budgeted. Since the College uses Business Type Activities reporting, this budgetary comparison information is included as supplementary information.

Schedules presented in supplementary information are reported using the current financial resources measurement focus and the accrual basis of accounting with modifications for depreciation and other items included in the adjustments column. The schedule of revenues, expenditures and changes in fund balances is a schedule of financial activities related to the current reporting period. It does not purport to present the results of operations or net income or loss for the period as would a statement of income or a statement of revenues and expenses.

Sample Community College

Budgetary Comparison Schedule of Expenditures –
Budget to Actual

Year ended June 30, 2023

**Note to Budgetary Reporting:**

The Board of Directors annually prepares a budget designating the proposed expenditures for operation of the College on a basis consistent with U.S. generally accepting accounting principles. Following required public notice and hearing, and in accordance with Chapter 260C of the Code of Iowa, the Board of Directors certifies the approved budget to the appropriate county auditors and then submits the budget to the State Board of Education for approval. The budget may be amended during the year utilizing similar statutorily prescribed procedures. Formal and legal budgetary control is based on total operating expenditures.

Budgets are not required to be adopted for the Auxiliary Enterprises subgroup, Workforce Investment Act, Scholarships and Grants Accounts, Loan Funds, Endowment Funds and Custodial Funds.

For the year ended June 30, 2023, the College’s expenditures did not exceed the amount budgeted.

See accompanying independent auditor’s report.

Sample Community College

Combining Balance Sheet
All Funds

June 30, 2023

(continued on next page)

Sample Community College

Combining Balance Sheet
All Funds (continued)

June 30, 2023



Sample Community College

Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
All Funds

Year ended June 30, 2023

(continued on next page)

Sample Community College

Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances
All Funds (continued)

Year ended June 30, 2023



Sample Community College

Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances

Unrestricted Fund
Education and Support

Year ended June 30, 2023



Sample Community College

Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances

Unrestricted Fund
Auxiliary Enterprises

Year ended June 30, 2023



Sample Community College

Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances

Restricted Fund

Year ended June 30, 2023



Sample Community College

Balance Sheet
Custodial Funds

Year ended June 30, 2023

Sample Community College

Combining Schedule of Changes in Fiduciary Net Position
Custodial Funds

Year ended June 30, 2023

Sample Community College

Sample Community College

Schedule of Credit and Contact Hours

Year ended June 30, 2023

Sample Community College

Schedule of Taxes and Intergovernmental Revenues

For the Last Ten Years

Sample Community College

Schedule of Current Fund Revenues by Source
and Expenditures by Function

For the Last Ten Years

Sample Community College

Schedule of Expenditures of Federal Awards

Year ended June 30, 2023

Sample Community College

Schedule of Expenditures of Federal Awards

Year ended June 30, 2023

**Basis of Presentation** – The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of Sample Community College under programs of the federal government for the year ended June 30, 2022. The information in this Schedule is presented 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 Sample Community College, it is not intended to and does not present the financial position, changes in financial position or cash flows of Sample Community College.

**Summary of Significant Accounting Policies** – Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures 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.

**Indirect Cost Rate** – Sample Community College has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

See accompanying independent auditor’s report.

Sample Community College

Independent Auditor’s 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 Directors of
 Sample Community College:

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 business type activities and the fiduciary activities of Sample Community College, Premium City, Iowa, and its discretely presented component unit as of and for the year ended June 30, 2023, and the related Notes to Financial Statements, which collectively comprise the College’s basic financial statements, and have issued our report thereon dated November 1, 2023. Our report includes a reference to other auditors who audited the financial statements of Sample Community College Facilities Foundation and Sample Community College Foundation, discretely presented component units, as described in our report on Sample Community College’s financial statements. The financial statements of Sample Community College Facilities Foundation were not audited in accordance with Government Auditing Standards. This report does not include the results of the other auditor’s internal control over financial reporting or compliance and other matters that are reported by those auditors who audit the financial statements of Sample Community College Facilities Foundation and Sample Community College Foundation.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Sample Community 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Sample Community College’s internal control. Accordingly, we do not express an opinion on the effectiveness of Sample 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 Sample Community 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. **(Use for Note 1, Note 2, Note 3)**

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.  However, as described in Part II of the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies. **(Note 4 only)**

**(Use this paragraph rather than preceding paragraph for Note 1)** 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 or significant deficiencies may exist that were not identified.

**(Use this paragraph rather than preceding two paragraphs for Note 2, Note 3)** 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. **Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. (add bold for** **Note 2 only**) We identified a certain deficiency in internal control, described in Part II of the accompanying Schedule of Findings and Questioned Costs as item 2023-001 that we consider to be a material weakness. **(delete “material weakness” add “significant deficiency.” for Note 2)**

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 Sample Community College’s financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in Part II of the accompanying Schedule of Findings and Questioned Costs as items 2023-0XX through 2023-0XX to be material weaknesses. **(Use this for Note 4 only)**

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. We consider the deficiencies described in Part II of the accompanying Schedule of Findings and Questioned Costs as items 2023-0XX and 2023-0XX to be significant deficiencies. **(Use this for Note 4 only)**

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Sample Community College’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 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 which are required to be reported under Government Auditing Standards. However, we noted certain immaterial instances of non-compliance or other matters which are described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the Sample Community College’s operations for the year ended June 30, 2023 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the Sample Community College. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Sample Community College’s Responses to Findings

Government Auditing Standards require the auditor to perform limited procedures on the Sample Community College’s responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. Sample College’s responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Sample Community College during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

 Ernest H. Ruben, Jr., CPA

 Deputy Auditor of State

November 1, 2023

 **Note 1: No material weaknesses and no significant deficiencies.**

**Note 2: No material weaknesses but significant deficiencies exist.**

**Note 3: Material weaknesses exist but no significant deficiencies.**

**Note 4: Both material weaknesses and significant deficiencies exist.**

Independent Auditor’s Report on Compliance

for Each Major Federal Program and on Internal Control over Compliance
Required by the Uniform Guidance

To the Board of Directors of
  Sample Community College:

Report on Compliance for Each Major Federal Program

Opinion on each Major Federal Program

We have audited Sample Community College, Iowa’s compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on Sample Community College’s major federal program for the year ended June 30, 2023. Sample Community College’s major federal program is identified in Part I of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, Sample Community College complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program 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 (GAAS); 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 Sample Community College and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe 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 Sample 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 Sample 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 Sample 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 judgement made by a reasonable user of the report on compliance about Sample 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 judgement 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 Sample Community College’s compliance with the compliance requirements referred to above and performing other such procedures as we considered necessary in the circumstances.
* Obtain an understanding of Sample 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 Sample 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 we identified during the audit.

**Omit the following paragraphs in the “Other Matters” if no instances of noncompliance exist.**

**Other Matters (Use the next 2 paragraphs if noncompliance exists.)**

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying Schedule of Findings and Questioned Costs as item 2023-0XX. Our opinion on the major federal program is not modified with respect to this matter.

Government Auditing Standards require the auditor to perform limited procedures on Sample Community College’s response to the noncompliance finding identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. Sample Community College’s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

**(Use this paragraph for Note 1 only)** 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.

(**Use this paragraph for Note 1 only)** 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.

**(Replace preceding paragraph with this paragraph for Note 2, Note 3, Note 4)** 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. **We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. (delete bold words if Note 3 or Note 4) However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies. (Bold words for Note 2 only)** However, as discussed below, we did identify a deficiency in internal control over compliance that we consider to be a material weakness *and significant deficiencies* (Note 4 add italics words). (Previous sentence added for Note 3 and Note 4

**(Note 2, Note 3 and Note 4 add this paragraph)** 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. (note 4 – delete bold words)** We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 2022-002 to be a material weakness. **(Note 2 - remove bolded words “material weakness” and add “significant deficiency”.)**

**(Note 4 add paragraph)** 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. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 202X-00X and 202X-00y, to be significant deficiencies.

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.

Government Auditing Standards require the auditor to perform limited procedures on Sample Community College’s response to the internal control over compliance finding identified in our compliance audit described in the accompanying Schedule of Findings and Questioned Costs. Sample Community College’s response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response. **(omit paragraph for Note 1**)

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.

 Ernest H. Ruben, Jr., CPA

 Deputy Auditor of State

November 1, 2023

**Note 1: No material weaknesses and no significant deficiencies exist.**

**Note 2: No material weaknesses but significant deficiencies exist.**

**Note 3: Material weakness but no significant deficiencies exist.**

**Note 4: Material weaknesses and significant deficiencies exist.**

**Part I: Summary of the Independent Auditor’s Results:**

1. An unmodified opinion was issued on the financial statements prepared in accordance with U.S. generally accepted accounting principles.
2. A material weakness in internal control over financial reporting was disclosed by the audit of the financial statements.
3. The audit did not disclose any non-compliance which is material to the financial statements.
4. A material weakness in internal control over the major programs was disclosed by the audit of the financial statements.
5. An unmodified opinion was issued on compliance with requirements applicable to each major program.
6. The audit disclosed an audit finding which is required to be reported in accordance with the Uniform Guidance, Section 200.516.
7. Major programs were as follows:
* Assistance Listing Number 84.048 – Career and Technical Education – Basic Grants to States
* WIOA Cluster
* Student Financial Assistance Cluster
1. The dollar threshold used to distinguish between Type A and Type B programs was $750,000.
2. Sample Community College did not qualify as a low-risk auditee.

**Part II: Findings Related to the Financial Statements:**

**INTERNAL CONTROL DEFICIENCY:**

2023-001 Financial Reporting

Criteria – A deficiency in internal control over financial reporting 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 of the financial statements on a timely basis. Properly designed policies and procedures and implementation of the policies and procedures are an integral part of ensuring the reliability and accuracy of the College’s financial statements.

Condition – Material amounts of receivables, payables and capital asset additions were not recorded in the College’s financial statements. Adjustments were subsequently made by the College to properly include these amounts in the financial statements.

Cause – College policies do not require, and procedures have not been established to require independent review of year end cut-off transactions and capital asset additions to ensure the College’s financial statements are accurate and reliable.

Effect – Lack of policies and procedures resulted in College employees not detecting the errors in the normal course of performing their assigned functions. As a result, material adjustments to the College’s financial statements were necessary.

Recommendation – The College should implement procedures to ensure all receivables, payables and capital asset additions are identified and included in the College’s financial statements.

Response – We will double check these in the future to avoid missing any receivables, payables or capital asset transactions.

Conclusion – Response accepted.

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

**Part III: Findings and Questioned Costs For Federal Awards:**

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

**INTERNAL CONTROL DEFICIENCY:**

**Assistance Listing Number 84.063: Federal Pell Grant Program
Pass-through Entity Identifying Number: N/A**

**Federal Award Year: 2023
Prior Year Finding Number: N/A**

**U.S. Department of Education**

**Passed through the Iowa Department of Education**

2023-002 Special Tests and Provisions

Criteria – In accordance with 34 CFR Sections 668.22(a)(1) through (a)(5), when a student receiving Title IV grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the student began attendance, the College must determine the amount of Title IV aid earned by the student as of the student’s withdrawal date.

Condition – Calculations of Title IV assistance earned by a student upon withdrawal are not reviewed by an independent person.

Cause – Policies and procedures have not been implemented to require review of Title IV withdrawal calculations.

Effect – The lack of independent review increases the risk for undetected errors resulting improper use of Title IV funds.

Recommendation – The College should implement procedures to ensure Title IV assistance withdraw calculations are independently reviewed.

Response and Corrective Action Planned – The College has implemented procedures in November 2022 for an independent person to perform review of withdrawal calculations.

Conclusion – Response accepted.

**Part IV: Other Findings Related to Required Statutory Reporting:**

2023-A Certified Budget – Expenditures for the year ended June 30, 2023 did not exceed the amount budgeted.

2023-B Questionable Disbursements – No expenditures we believe did not meet the requirements of public purpose as defined in an Attorney General’s opinion dated April 25, 1979 were noted.

2023-C Travel Expense – No expenditures of College money for travel expenses of spouses of College officials or employees were noted. No travel advances to College officials or employees were noted.

2023-D Business Transactions – No business transactions between the College and College officials or employees were noted.

2023-E Restricted Donor Activity – No transactions were noted between the College, College officials, College employees and restricted donors in compliance with Chapter 68B of the Code of Iowa.

2023-F Bond Coverage – Surety bond coverage of College officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure the coverage is adequate for current operations.

2023-G Board Minutes – No transactions were found that we believe should have been approved in the Board minutes but were not.

2023-H Publication – The College published a statement showing the receipt and disbursement of all funds, including the names of all persons, firms or corporations to which disbursements were made, as required by Section 260C.14(12) of the Code of Iowa.

2023-I Deposits and Investments – No instances of non-compliance with the deposit and investment provisions of Chapters 12B and 12C of the Code of Iowa and the College’s investment policy were noted.

2023-J Credit and Contact Hours – Eligible credit and contact hours reported to the Iowa Department of Education by the College for the year ended June 30, 2023 were supported by detailed records maintained by the College, except for an understatement of 200 credit hours, as shown below:

 Recommendation – The College should develop procedures to ensure the report submitted to the Iowa Department of Education is supported by detailed records.

 Response – The College will continue to monitor credit/contact hours to ensure all reports submitted are supported by the College’s detailed records.

 Conclusion – Response accepted.

This audit was performed by:

Ernest H. Ruben, Jr., CPA, Deputy

Nicole S. Comstok, CPA, Manager

Camilla E. Chaves, CPA, Senior Auditor

Michael D. Kaminsky, CPA, Senior Auditor

Galen C. Hendrickson, CPA, Staff Auditor

Jeri L. Langley, CPA, Staff Auditor