

**LINCOLN LAND COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 526
SPRINGFIELD, ILLINOIS**

SINGLE AUDIT

Year Ended June 30, 2020

LINCOLN LAND COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 526
SPRINGFIELD, ILLINOIS

SINGLE AUDIT
YEAR ENDED JUNE 30, 2020

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**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 Trustees
Lincoln Land Community College
Community College District No. 526
Springfield, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of Lincoln Land Community College – Community College District No. 526 (the “District”) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated October 26, 2020. Our report includes a reference to other auditors who audited the financial statements of the Lincoln Land Community College Foundation (the “Foundation”), as described in our report on the District’s financial statements. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing the 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 the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’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 District’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Crowe LLP". The script is cursive and fluid.

Crowe LLP

Springfield, Illinois
October 26, 2020

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

To the Board of Trustees
Lincoln Land Community College
Community College District No. 526
Springfield, Illinois

Report on Compliance for Each Major Federal Program

We have audited Lincoln Land Community College – Community College District No. 526's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the business-type activities and the discretely presented component unit of the District as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated October 26, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the

financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Crowe LLP

Crowe LLP

Springfield, Illinois
October 26, 2020

LINCOLN LAND COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 526
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2020

Federal grantor/pass through grantor/program title	Pass-Through Entity Identifying Number	Federal CFDA number	Federal expenditures
U.S. Department of Agriculture:			
Direct Programs:			
Child and Adult Care Food Program	N/A	10.558	\$ 24,771
Total U.S. Department of Agriculture			24,771
U.S. Department of Transportation:			
Passed through Illinois Community College Board			
Highway Planning and Construction Cluster:			
Highway Planning and Construction	20 HCCTP LLCC	20.205	259,556
Total U.S. Department of Transportation:			259,556
National Science Foundation:			
Direct Programs:			
National Science Foundation CyberSecurity Grant	N/A	47.076	34,740
Total National Science Foundation			34,740
Small Business Administration:			
Passed through Illinois Department of Commerce and Economic Opportunity			
Small Business Development Centers	19-181129	59.037	47,095
Small Business Development Centers	19-185129	59.037	37,124
Total Small Business Administration			84,219
U.S. Department of Energy:			
Passed through Lewis and Clark Community College			
Energy Efficiency and Renewable Energy Technology Deployment, Demonstration and Commercialization	DE-EE0008576	81.129	160
Total U.S. Department of Energy			160
U.S. Department of Education:			
Direct Programs:			
Student Financial Assistance Program Cluster:			
Federal Supplemental Educational Opportunity Grant Program	N/A	84.007	163,948
Federal Direct Student Loans Program	N/A	84.268	7,576,245
Federal Work Study Program	N/A	84.033	143,805
Federal Pell Grant Program	N/A	84.063	7,843,032
Total Student Financial Assistance			15,727,030
TRIO Cluster:			
Student Support Services TRIO Grant	N/A	84.042A	246,540
Childcare Means Parent in School Grant	N/A	84.335A	61,506

(Continued)

LINCOLN LAND COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 526
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2020

Federal grantor/pass through grantor/program title	Pass-Through Entity Identifying Number	Federal CFDA number	Federal expenditures
Coronavirus Aid, Relief, and Economic Security Act Grant:			
COVID-19: Higher Education Emergency Relief Fund	N/A	84.425E	\$ 422,594
COVID-19: Higher Education Emergency Relief Fund	N/A	84.425F	273,043
Total Coronavirus Aid, Relief, and Economic Security Act Grant			<u>695,637</u>
Total Direct Programs			<u>16,730,713</u>
Passed through Illinois Community College Board			
Adult Education Basic Grant to State	52601	84.002A	128,130
Adult Education EL/Civics Grant	52601	84.002A	87,535
Total Adult Education			<u>215,665</u>
Career and Technical Education - Basic Grants to States			
Career and Technical Education Perkins Postsecondary Grant	684-00-0465	84.048	<u>322,816</u>
Total Career and Technical Education			<u>322,816</u>
Total Illinois Community College Board			<u>538,481</u>
Total U.S. Department of Education			<u>17,269,194</u>
Total Federal Expenditures			<u>\$ 17,672,640</u>

LINCOLN LAND COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 526
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Lincoln Land Community College – Community College District No. 526 (the "College") under programs of the federal government for the year ended June 30, 2020. 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 the College, it is not intended to and does not present the financial position, changes in net position, or cash flows of the College.

Basis of Accounting: Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-21, *Cost Principles for Educational Institutions* or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

De Minimis Cost Rate: The College has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Sub Recipients: Of the federal expenditures presented in the Schedule, the College did not provide any federal awards to sub recipients.

Non-Cash and Federal Insurance: The College did not receive non-cash assistance or have Federal insurance in effect during the fiscal year.

LINCOLN LAND COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 526
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2020

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None Reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal Control over major federal programs.

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None Reported

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

Any audit findings disclosed that are required to be
reported in accordance with 2 CFR 200.516(a) ☐ Yes ☒ No

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
	Student Financial Assistance Program Cluster:
84.007	Federal Supplemental Educational Opportunity Grant Program
84.033	Federal Work Study Program
84.063	Federal Pell Grant Program
84.268	Federal Direct Student Loans Program

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

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

(Continued)

LINCOLN LAND COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 526
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2020

Section II - Financial Statement Findings

There were no findings for the year ended June 30, 2020.

Section III – Federal Compliance Findings

There were no findings for the year ended June 30, 2020.

LINCOLN LAND COMMUNITY COLLEGE
COMMUNITY COLLEGE DISTRICT NO. 526
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2020

Finding 2019-001 – Gramm Leach Bliley Act – Risk Assessment of the Information System

Condition

For fiscal year 2019, the College had not performed the following: designated an individual to coordinate the information security program; a risk assessment over their information system that addresses the three required areas noted in 16 CFR 314.4 (b); nor documented safeguards for identified risks.

Current Status

Finding is not repeated in current year.