

**CLATSOP COMMUNITY COLLEGE**  
**SINGLE AUDIT REPORT**  
**YEAR ENDED JUNE 30, 2021**



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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Education  
Clatsop Community College  
Astoria, Oregon

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 discretely presented component unit of Clatsop Community College, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Clatsop Community College's basic financial statements, and have issued our report thereon dated April 28, 2022. The financial statements of the discretely presented component unit 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 Clatsop 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 Clatsop Community College's internal control. Accordingly, we do not express an opinion on the effectiveness of Clatsop Community 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 entity'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. We did identify a certain deficiency in internal control, described as item 2021-001 in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Clatsop 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 that are required to be reported under *Government Auditing Standards*.

### **The College's Response to Finding**

Clatsop Community College's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Clatsop Community College's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **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 result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



### **CliftonLarsonAllen LLP**

Bellevue, Washington  
April 28, 2022



Jean Bushong, CPA  
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**INDEPENDENT AUDITORS' 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**

Board of Education  
Clatsop Community College  
Astoria, Oregon

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

We have audited Clatsop Community College's compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of Clatsop Community College's major federal programs for the year ended June 30, 2021. Clatsop Community College's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

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

We believe that our audit provides a reasonable basis for our opinion on compliance for major federal programs. However, our audit does not provide a legal determination of Clatsop Community College's compliance.

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

In our opinion, Clatsop Community College complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2021-002, 2021-003, 2021-004, 2021-005, 2021-006, 2021-007, 2021-008 and 2021-009. Our opinion on each major federal program is not modified with respect to these matters.

Clatsop Community College's response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Clatsop Community College's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

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

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


Our consideration of internal control over compliance was for the limited purpose described in the 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 that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2021-002, 2021-003, 2021-004, 2021-005, 2021-006, 2021-007, 2021-008, 2021-009 and 2021-010 that we consider to be significant deficiencies.

Clatsop Community College's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Clatsop Community College's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 Clatsop Community College, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Clatsop Community College's basic financial statements. We issued our report thereon dated April 28, 2022, 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, based on our audit and the report of other auditors, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Bellevue, Washington  
September 28, 2022

**CLATSOP COMMUNITY COLLEGE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>STUDENT FINANCIAL AID ASSISTANCE CLUSTER:</b>				
<b>Department of Education Direct Programs</b>				
Federal Pell Grant Program	84.063			\$ 1,080,744
Federal Direct Student Loans	84.268			387,877
Federal Supplemental Educational Opportunity Grants	84.007			96,216
Federal Work-Study Program	84.033			102,454
Total Student Financial Aid Assistance Cluster				<u>1,667,291</u>
<b>Education Stabilization Fund</b>				
<b>Department of Education Direct Programs</b>				
COVID-19 - HEERF - Student Support	84.425E			219,021
COVID-19 - HEERF - Institutional Support	84.425F			995,244
COVID-19 - HEERF - SIP	84.425M			59,496
COVID-19 - HEERF - FIPSE	84.425N			32,701
Total Education Stabilization Fund				<u>1,306,462</u>
<b>TRIO CLUSTER:</b>				
<b>Department of Education Direct Programs</b>				
TRIO—Talent Search	84.044			361,039
TRIO—Upward Bound	84.047			343,662
TRIO—Student Support Services	84.042			264,218
Total TRIO Cluster				<u>968,919</u>
<b>Department of Education Pass-Through Programs</b>				
State Department of Education—Career and Technical Education—Basic Grants to States	84.048	36401 / 36427		152,967
Higher Education Coordinating Commission—Adult Education—Basic Grants to States	84.002	EE151608		164,895
Total Department of Education Pass-Through Programs				<u>317,862</u>
Total Department of Education				4,260,534
<b>Small Business Administration Pass-Through Program</b>				
Oregon Small Business Development Network Office -- Small Business Development Center	59.037	15-144		70,358
Total Expenditures of Federal Awards				<u><u>\$ 4,330,892</u></u>

See accompanying Notes to Schedule of Expenditures of Federal Awards.



**CLATSOP COMMUNITY COLLEGE**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2021**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Clatsop Community College under programs of the federal government for the year ended June 30, 2021. The information in the 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 Clatsop Community College, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Clatsop Community College.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principals contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Clatsop Community College has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**CLATSOP COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2021**

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***Section I – Summary of Auditors’ Results***

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*Financial Statements*

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes  X  no
- Significant deficiencies identified that are not considered to be material weaknesses?  X  yes \_\_\_\_\_ none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes  X  no

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ yes  X  no
- Significant deficiencies identified that are not considered to be material weaknesses?  X  yes \_\_\_\_\_ none reported

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

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

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
Student Financial Aid Cluster:	
84.007	Federal Supplemental Educational Opportunity Grants
84.033	Federal Work Study Program
84.063	Federal Pell Grant Program
84.268	Federal Direct Loans
Education Stabilization Fund – Higher Education Relief Fund (HEERF)	
84.425E	COVID-19 - HEERF Student Aid Portion
84.425F	COVID-19 - HEERF Institutional Aid Portion
84.425M	COVID-19 - HEERF SIP
84.425N	COVID-19 - HEERF FIPSE

Dollar threshold used to distinguish between type A and type B programs: \$750,000/\$187,500

Auditee qualified as low-risk auditee?  X  yes \_\_\_\_\_ no

**CLATSOP COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section II – Financial Statement Findings***

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**2021-001**

**Significant Deficiency in Internal Control over Financial Reporting**

**Condition:** While obtaining an understanding of the College's internal control processes, we noted instances in the bank reconciliation and payroll process, where the bank reconciliation and payroll register were not being reviewed. It was also noted that bank reconciliations were not being done timely. In addition, bank deposits were being held and not being deposited timely.

**Criteria or specific requirement:** An essential element of a proper internal control structure includes ensuring key reconciliations are completed timely. In addition, a review of these completed reconciliations should be performed by an individual independent of those functions. Management is responsible for establishing and maintaining internal controls to safeguard an organization's assets to prevent fraud and error.

**Effect:** There is an increased risk that errors or irregularities may occur and not be detected on a timely basis.

**Cause:** Management did not timely reconcile bank accounts throughout the year and some months cash deposits were not made timely. In addition, the bank reconciliations and payroll registers were not reviewed to provide a proper internal control and segregation of duties.

**Repeat Finding:** This is not a repeat finding.

**Recommendation:** We recommend implementing timely and accurate reconciliation procedures that are reviewed by someone other than the preparer. We also recommend bank deposits be made at a minimum weekly, if not daily. When deposits are not made daily, cash should be properly secured in a safe or vault.

**Views of responsible official and planned corrective actions:** There is no disagreement with the finding. The College will implement corrective actions to address recommendations of this finding.

**CLATSOP COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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**2021-002**

Federal Agency: U.S. Department of Education

Federal Program Title: TRIO Cluster

Assistance Listing Number: 84.047 – Upward Bound

Federal Award Identification Number and Year: P047A70649 - 2021

Award Period: July 1, 2020 to June 30, 2021

Type of Finding: Significant Deficiency in Internal Control over Compliance; Compliance, Other Matter

**Criteria or specific requirement:** Compensation for personal services charged to a grant should be for employees engaged in work on that federal program.

**Condition:** During our testing of payroll disbursements for this program, we noted one payroll disbursement was charged to the grant in error.

**Questioned Costs:** \$2,270

**Context:** During our testing, we noted 1 out of 5 payroll disbursements was charged to the grant in error.

**Cause:** The employee's time was incorrectly coded to the grant and was not caught in the program manager's review.

**Effect:** The College charged salaries and benefits to the grant that were unallowed costs.

**Repeat Finding:** Yes. Prior year finding number was 2020-004.

**Recommendation:** We recommend the College return the funds for the unallowed costs. We also recommend a process be put in place to ensure that all payroll costs charged to the grant and paid with federal funds are allowable.

**Views of responsible officials:** There is no disagreement with the audit finding.

**CLATSOP COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Programs (Continued)***

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**2021-003**

Federal Agency: U.S. Department of Education

Federal Program Title: Student Financial Aid Cluster

Assistance Listing Number: 84.063 – Federal Pell Grant Program

84.268 – Federal Direct Loans

Federal Award Identification Number and Year: P063P200355 - 2021, P268K210355 - 2021

Award Period: July 1, 2020 to June 30, 2021

Type of Finding: Significant Deficiency in Internal Control over Compliance; Compliance, Other Matter

**Criteria or specific requirement:** The U.S. Department of Education requires the College to report the disbursement dates and amounts to the Common Origination and Disbursement (COD) system within 15 days of disbursing Pell (34 CFR 690.83(b)(2) and Direct Loan (34 CFR 685.309) funds to a student.

**Condition:** The College reported incorrect Direct Loan disbursement dates to COD and not all disbursements were reported timely.

**Questioned Costs:** None

**Context:** During our testing, we noted 40 of the 40 Pell disbursements tested and 40 of the 40 Direct Loan disbursements tested had disbursement dates that were incorrectly reported to COD. The disbursement date per COD did not match the disbursement date on the student account. In addition, 1 of the 40 Pell disbursements tested was not reported to COD within the required 15 days.

**Cause:** The College does not have a process in place to accurately report disbursement dates to COD within the required 15 days.

**Effect:** A lack of timely and accurate reporting may prevent the College and other schools from having the most accurate information available about students' Pell Lifetime Eligibility Used (LEU) and may lead to over awards.

**Repeat Finding:** Yes. Prior year finding number was 2020-003.

**Recommendation:** We recommend the College evaluate its procedures and policies around reporting disbursements to COD to ensure that student information is reported accurately and timely.

**Views of responsible officials:** There is no disagreement with the audit finding.

**CLATSOP COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Programs (Continued)***

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**2021-004**

Federal Agency: U.S. Department of Education

Federal Program Title: Student Financial Aid Cluster:

Assistance Listing Number: 84.063 – Federal Pell Grant Program  
84.268 – Federal Direct Loans  
84.007 – Federal Supplemental Educational Opportunity Grants  
84.033 – Federal Work Study Program

Federal Award Identification Number and Year: P063P200355 - 2021, P268K210355 - 2021,  
P007A203474 - 2021, P033A203474 - 2021

Award Period: July 1, 2020 to June 30, 2021

Type of Finding: Significant Deficiency in Internal Control over Compliance; Compliance, Other Matter

**Criteria or specific requirement:** The College must establish a reasonable satisfactory academic progress (SAP) policy for determining whether an otherwise eligible student is making satisfactory academic progress in his or her educational program and may receive assistance under the Title IV (34 CFR 668.34).

**Condition:** In our testing, we noted instances in which students did not receive SAP warning or probation letters when they were not meeting SAP and an instance when a student incorrectly continued to receive Title IV aid after not meeting SAP for two terms.

**Questioned Costs:** None

**Context:** During our testing, we noted 2 of the 40 students tested did not receive SAP warning or probation letters when they were not meeting SAP. One of the students continued to receive Title IV aid after not meeting SAP for two terms, without any communication from the College or appeal from the student.

**Cause:** The College does not have a process in place to communicate to students when they are not meeting SAP.

**Effect:** Student received aid that was not meeting SAP. In this situation, the student was ineligible to received title IV aid.

**Repeat Finding:** No

**Recommendation:** We recommend a process be put in place to ensure all students not meeting SAP are communicated with. A letter should go to the student appropriately communicating financial aid warning and financial aid probation.

**Views of responsible officials:** There is no disagreement with the audit finding.

**CLATSOP COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Programs (Continued)***

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**2021-005**

Federal Agency: U.S. Department of Education

Federal Program Title: Student Financial Aid Cluster:

Assistance Listing Number: 84.063 – Federal Pell Grant Program

Federal Award Identification Number and Year: P063P200355 - 2021

Award Period: July 1, 2020 to June 30, 2021

Type of Finding: Significant Deficiency in Internal Control over Compliance; Compliance, Other Matter

**Criteria or specific requirement:** The amount of a student's Pell Grant for an academic year is based upon the payment and disbursement schedules published by the Secretary for each award year (34 CFR 690.62).

**Condition:** For some students, the College under awarded Pell.

**Questioned Costs:** None

**Context:** In our testing, we noted that 3 of the 48 students tested that received Pell, were under awarded based on their expected family contribution (EFC) and enrollment status.

**Cause:** It was noted that the new software used to prepare the student award packages had errors in the disbursement schedule that was used to determine the Pell awards.

**Effect:** Students were under awarded Pell Grants.

**Repeat Finding:** No

**Recommendation:** We recommend that a process be put in place to test the software system prior to doing award packages to ensure that the Pell award for all students is calculated correctly.

**Views of responsible officials:** There is no disagreement with the audit finding.

**CLATSOP COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Programs (Continued)***

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**2021-006**

Federal Agency: U.S. Department of Education

Federal Program Title: Student Financial Aid Cluster:

Assistance Listing Number: 84.063 – Federal Pell Grant Program  
84.268 – Federal Direct Loans  
84.007 – Federal Supplemental Educational Opportunity Grants  
84.033 – Federal Work Study Program

Federal Award Identification Number and Year: P063P200355 - 2021, P268K210355 - 2021,  
P007A203474 - 2021, P033A203474 - 2021

Award Period: July 1, 2020 to June 30, 2021

Type of Finding: Significant Deficiency in Internal Control over Compliance; Compliance, Other Matter

**Criteria or specific requirement:** The Code of Federal Regulations, 34 CFR 682.610, states that institutions must report accurately the enrollment status of all students regardless if they receive aid from the institution or not. This includes the enrollment effective date and related enrollment status, which must be reported for both the Campus-Level and the Program-Level as well as the program begin date. In addition, regulations require that an institution make necessary corrections and return the records within 10 days for any roster files that do not pass the National Student Loan Data System (NSLDS) enrollment reporting edits.

**Condition:** There were instances in which the College did not correct and resubmit the National Student Loan Data Systems (NSLDS) rosters timely. There were also instances in which the College did not report the correct status and effective dates and status changes were not always reported timely.

**Questioned Costs:** None

**Condition and Context:** During our testing, we noted that the National Student Loan Data Systems (NSLDS) rosters returned yielded error reports that were not corrected and resubmitted within the required 10 days. The College utilizes the National Student Clearinghouse (NSC) as a third-party provider in order to submit student information to NSLDS.

In addition, we noted that the enrollment status of 2 of the 40 students tested was not reported correctly to NSLDS. The enrollment effective date of 5 of the 40 students tested was not reported correctly to NSLDS. The status change of 14 of the 40 students tested was not reported timely to NSLDS. The enrollment was not certified every 60 days for 9 of the 40 students tested. The program enrollment effective date of 4 of the 40 students tested was not reported correctly to NSLDS. 1 of the 40 students tested received federal student aid but was not reported to NSLDS.

**Cause:** Management did not determine if student status changes in enrollment and program were being updated accurately and timely and they did not ensure the error reports were responded to within the 10-day requirement.



**CLATSOP COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Programs (Continued)***

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**2021-006 (Continued)**

**Effect:** The College was not in compliance with the requirements to timely respond to error reports and to properly report student enrollment data correctly or timely to NSLDS.

**Repeat Finding:** Yes. Prior-year finding number was 2020-001.

**Recommendation:** We recommend that the College put a process in place to ensure all error reports are updated within the required 10 days. They should also establish a process to ensure all students who have a status change are accurately and timely reported to NSLDS. This process should include understanding of NSC's processes and ensuring they are correctly reporting to NSLDS.

**Views of responsible officials:** There is no disagreement with the audit finding.

**CLATSOP COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Programs (Continued)***

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**2021-007**

Federal Agency: U.S. Department of Education

Federal Program Title: Student Financial Aid Cluster:

Assistance Listing Number: 84.063 – Federal Pell Grant Program  
84.268 – Federal Direct Loans  
84.007 – Federal Supplemental Educational Opportunity Grants  
84.033 – Federal Work Study Program

Federal Award Identification Number and Year: P063P200355 - 2021, P268K210355 - 2021,  
P007A203474 - 2021, P033A203474 - 2021

Award Period: July 1, 2020 to June 30, 2021

Type of Finding: Significant Deficiency in Internal Control over Compliance

**Criteria or specific requirement:** Per the Uniform Guidance 2 CFR 200.303, non-federal entities receiving federal awards are required to establish and maintain internal controls designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements.

**Condition:** The College did not have observable controls to test over the following processes: direct loan reconciliations, cash drawdowns, return of title IV (R2T4) calculations, and submission of enrollment statuses to NSLDS.

**Questioned Costs:** None

**Context:** During our testing of direct loan reconciliations, cash drawdowns, return of title IV (R2T4) calculations, and submission of enrollment statuses to NSLDS we were unable to identify a specific control in place to ensure that any errors in these processes would be prevented and detected in a timely manner. We did note that these processes were not being reviewed to prevent, detect, or deter errors from occurring.

**Cause:** A control system to prevent and detect errors during the direct loan reconciliations, cash drawdowns, refund, and submission of enrollment statuses to NSLDS process did not occur or had not been created.

**Effect:** It is possible for errors to occur and not be caught in a timely manner.

**Repeat Finding:** No

**Recommendation:** We recommend someone other than the preparer review the direct loan reconciliations, cash drawdowns, R2T4 calculations, and submission of enrollment statuses to NSLDS for accuracy.

**Views of responsible officials:** There is no disagreement with the audit finding.

**CLATSOP COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Programs (Continued)***

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**2021-008**

Federal Agency: U.S. Department of Education

Federal Program Title: Student Financial Aid Cluster

Assistance Listing Number: 84.063 – Federal Pell Grant Program  
84.268 – Federal Direct Loans  
84.007 – Federal Supplemental Educational Opportunity Grants  
84.033 – Federal Work Study Program

Federal Award Identification Number and Year: P063P200355 - 2021, P268K210355 - 2021,  
P007A203474 - 2021, P033A203474 - 2021

Award Period: July 1, 2020 to June 30, 2021

Type of Finding: Significant Deficiency in Internal Control over Compliance; Compliance, Other Matter

**Criteria or specific requirement:** An institution must document a student's withdrawal date and maintain the documentation as of the date of the institution's determination that the student withdrew. An institution may use as the student's withdrawal date a student's last date of attendance at an academically related activity.

**Condition:** There were instances when the College did not use the correct withdrawal date in the return of title IV funds (R2T4) process, and they could not provide some COVID-19 related documentation.

**Questioned Costs:** None

**Context:** During our testing, we noted 2 of the 12 students tested for R2T4 did not use the correct withdrawal date to determine the amount of title IV grant or loan assistance that was earned by the student. The student's records of academically related activity did not agree with the dates used in the institutional R2T4 calculations. None of the errors resulted in an incorrect return of funds. Documentation that a withdrawal was COVID-19 related was missing for 2 of 12 students.

**Cause:** There was no process to use the last date of academically related activity to determine the last date of attendance for the R2T4 calculation.

**Effect:** The College was not in compliance with how the R2T4 calculation was prepared.

**Repeat Finding:** No

**Recommendation:** We recommend the process be put in place to ensure that the student's last date of attendance at an academically related activity is used in the R2T4 calculation, and we recommend the College retain all documentation related to the R2T4 calculation.

**Views of responsible officials:** There is no disagreement with the audit finding.

**CLATSOP COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Programs (Continued)***

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**2021-009**

Federal Agency: U.S. Department of Education

Federal Program Title: Education Stabilization Fund – Higher Educational Emergency Relief Fund

Assistance Listing Number: 84.425E – COVID-19 - HEERF – Student Support  
84.425F – COVID-19 - HEERF – Institutional Support  
84.425M – COVID-19 - HEERF – SIP  
84.425N – COVID-19 - HEERF – FIPSE

Federal Award Identification Number and Year: P425E202061 – 2020, P425F200625 – 2020,  
P425M200154 – 2020, P425N200040 - 2020

Award Period: July 1, 2020 to June 30, 2021

Type of Finding: Significant Deficiency in Internal Control over Compliance; Compliance, Other Matter

**Criteria or specific requirement:** Per Uniform Guidance 2 CFR 200.303, non-federal entities receiving federal awards are required to establish and maintain internal controls designed to reasonably ensure compliance with federal laws, regulations and program compliance requirements. The initial reporting for this grant requires the report to be submitted to the Institution’s website within 30 days of the signed Certification Agreement or 30 days after the electronic announcement dated May 6, whichever is later. Institutions were then required to update their websites every 45 days after initial upload. This was changed to quarterly on August 31, 2020. In addition, an annual report is required.

**Condition:** The College did not comply with timely and accurate reporting for the Quarterly Student and Institutional program. Additionally, the annual report was not accurate.

**Questioned Costs:** None

**Context:** During our testing of the reporting process, we noted:

- None of the quarterly student reports tested were completed timely.
- None of the quarterly student reports tested were reviewed and approved prior to submission.
- One item of the quarterly student report was unable to be supported with supporting documentation.
- Two items of the quarterly student report that tested the supporting documentation did not agree to what was included in the report.
- The supporting documentation for 2 of the 2 quarterly institutional reports tested did not agree to what was included in the report.
- 1 of the 2 quarterly institutional reports tested were not published timely.
- 2 of the 2 quarterly institutional reports tested were not reviewed and approved prior to submission.
- The annual report was not reviewed and approved prior to submission.
- For the annual report, the supporting documentation did not agree to what was included in the report.

**CLATSOP COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Programs (Continued)***

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**2021-009 (continued)**

**Cause:** A control system to prevent and detect errors in the reporting process was not created at the time the reports were filed and the College did not have a process to track the reporting requirements. In addition, the College did not have a proper system in place to retain all documentation and ensure the information in the reports had supporting information.

**Effect:** The College was not in compliance with the U.S. Department of Education (ED) regulations for timely and accurate HEERF reporting. In addition, it was possible for errors to occur in the reports and not be caught due to lack of review.

**Repeat Finding:** No

**Recommendation:** We recommend the College review their reporting procedures to ensure all reports are submitted timely and the supporting documentation used to prepare the report is retained. The reports should be reviewed by someone other than the preparer of the report and this review should be documented.

**Views of responsible officials:** There is no disagreement with the audit finding.

**CLATSOP COMMUNITY COLLEGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED JUNE 30, 2021**

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***Section III – Findings and Questioned Costs – Major Federal Programs (Continued)***

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**2021-010**

Federal Agency: U.S. Department of Education

Federal Program Title: Education Stabilization Fund – Higher Educational Emergency Relief Fund

Assistance Listing Number: 84.425F – COVID-19 - HEERF – Institutional Support

Federal Award Identification Number and Year: P425F200625 – 2020

Award Period: July 1, 2020 to June 30, 2021

Type of Finding: Significant Deficiency in Internal Control over Compliance

**Criteria or specific requirement:** Per the Uniform Guidance 2 CFR 200.303, non-federal entities receiving federal awards are required to establish and maintain internal controls designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements.

**Condition:** The College did not have observable controls to test over lost revenue calculations.

**Questioned Costs:** None

**Context:** During our testing of lost revenue calculations, we were unable to identify a specific control in place to ensure that any errors would be prevented or detected in a timely manner. We did not find any noncompliance, but we did note that this process was not being reviewed to prevent, detect, or deter errors from occurring.

**Cause:** A control system to prevent and detect errors during the lost revenue calculation did not occur or had not been created.

**Effect:** It is possible for errors to occur and not be caught in a timely manner.

**Repeat Finding:** No

**Recommendation:** We recommend someone other than the preparer of the lost revenue calculations review for accuracy.

**Views of responsible officials:** There is no disagreement with the audit finding.



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