

RHODE ISLAND COLLEGE
(a Component Unit of the State of Rhode Island)

**INDEPENDENT AUDITORS' REPORTS AS REQUIRED
BY THE UNIFORM GUIDANCE AND *GOVERNMENT*
AUDITING STANDARDS AND RELATED
INFORMATION**

JUNE 30, 2021

RHODE ISLAND COLLEGE
(a Component Unit of the State of Rhode Island)

**Independent Auditors' Reports as Required by the Uniform Guidance and
Government Auditing Standards and Related Information**

June 30, 2021

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR THE 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 Education of
State of Rhode Island
Providence, Rhode Island

Report on Compliance for the Major Federal Program

We have audited Rhode Island College's (a component unit of the State of Rhode Island) (the "College") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget ("OMB") Compliance Supplement* that could have a direct and material effect on the College's major federal program for the year ended June 30, 2021. The College's major federal program is 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 the College's major federal program 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* (the "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 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 the major federal program. However, our audit does not provide a legal determination of the College's compliance.

Opinion on the Major Federal Program

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

Report on Internal Control over Compliance

Management of the 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 the College's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 College's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the College, as of and for the year ended June 30, 2021. We issued our report thereon dated September 30, 2021, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 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.



**Certified Public Accountants
Braintree, Massachusetts**

February 12, 2022

(except for the Schedule of Expenditures of Federal Awards, for which the date is September 30, 2021)



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

To the Board of Education of
State of Rhode Island
Providence, Rhode Island

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 Rhode Island College (the "College"), which comprise the statement of net position as of June 30, 2021, the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise Rhode Island College's basic financial statements and have issued our report thereon dated September 30, 2021. Our report includes a reference to other auditors who audited the financial statements of Rhode Island College Foundation, as described in our report on Rhode Island College's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Rhode Island College'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rhode Island 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*.

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



**Certified Public Accountants
Braintree, Massachusetts**

September 30, 2021

**SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS**

Rhode Island College
(a Component Unit of the State of Rhode Island)

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

	Assistance Listing Number	Pass-Through Entity	Pass-Through Entity Award Number	Federal Expenditures	Passed Through to Subrecipients
STUDENT FINANCIAL ASSISTANCE CLUSTER					
U.S. Department of Education:					
Direct Awards:					
Federal Supplemental Educational Opportunity Grants	84.007	N/A	N/A	\$ 401,103	\$ -
Federal Work-Study Program	84.033	N/A	N/A	793,635	-
Federal Perkins Loan Program (beginning of year)	84.038	N/A	N/A	2,170,767	-
Federal Perkins Loan Program (current year expenditures)	84.038	N/A	N/A	-	-
Federal Pell Grant Program	84.063	N/A	N/A	12,055,486	-
Federal Direct Student Loans	84.268	N/A	N/A	25,332,599	-
Total Student Financial Assistance Cluster				<u>40,753,590</u>	<u>-</u>
TRIO CLUSTER					
U.S. Department of Education:					
Direct Awards:					
TRIO Student Support Services	84.042	N/A	N/A	236,972	-
TRIO Upward Bound	84.047	N/A	N/A	581,394	-
TRIO McNair Post-Baccalaureate Achievement	84.217	N/A	N/A	250,325	-
Total TRIO Cluster				<u>1,068,691</u>	<u>-</u>
RESEARCH AND DEVELOPMENT CLUSTER					
National Science Foundation:					
Pass-through Awards:					
Office of Integrative Activities	47.083	University of Rhode Island	N/A	122,354	-
Total Research and Development Cluster				<u>122,354</u>	<u>-</u>
477 CLUSTER					
U.S. Department of Health and Human Services:					
Pass-through Awards:					
Child Care and Development Block Grant	93.575	Rhode Island Department of Human Services	N/A	31,868	-
Total 477 Cluster				<u>31,868</u>	<u>-</u>
NON-CLUSTER					
U.S. Department of Defense:					
Direct Awards:					
Rhode Island College GenCyber Grant	12.903	N/A	N/A	23,991	-
U.S. Department of Energy:					
Direct Awards:					
Investigating Ultrafast Dynamics in Solid State Photocatalytic & Photovoltaic Materials Using Time Resolved Mossbauer Spectroscopy	81.049	N/A	N/A	\$ 128,927	\$ 87,425

The accompanying notes are an integral part of this schedule.

Rhode Island College
(a Component Unit of the State of Rhode Island)

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

	Assistance Listing Number	Pass-Through Entity	Pass-Through Entity Award Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Education:					
Direct Awards:					
COVID-19 - Higher Education Emergency Relief Fund (HEERF) - Student Aid Portion	84.425E	***	N/A	4,184,488	-
COVID-19 - HEERF - Institutional Portion	84.425F	***	N/A	6,186,965	-
COVID-19 - HEERF - Strengthening Institutions Program	84.425M	***	N/A	512,889	-
Interdisciplinary Specialization in Transition	84.325		N/A	225,183	-
Special Education - Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326		N/A	62,803	-
Transition Programs for Students with Intellectual Disabilities into Higher Education	84.407		N/A	284,269	-
Subtotal - Direct Awards				11,456,597	-
U.S. Department of Health and Human Services:					
Direct Awards:					
Behavioral Regulation to Extinguish Smoking While Treating Another Health Risk	93.279		N/A	91,992	10,921
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	93.632		N/A	416,833	-
Behavioral Health Workforce Education & Training (BHWET) Program	93.732	*	N/A	217,132	-
Opioid Workforce Expansion Program	93.732	*	N/A	187,990	-
Subtotal - Direct Awards				913,947	10,921
Pass-through Awards:					
Lifespan Respite Care Program	93.072	**	Rhode Island Department of Human Services	3,283	-
R.I. Integrating and Enhancing Respite Sustainability	93.072	**	R.I. Department of Human Services/Office of Healthy Aging	19,186	-
Maternal and Child Health Federal Consolidated Programs	93.110		Rhode Island Hospital	113,705	-
Substance Abuse and Mental Health Services - Projects of Regional and National Significance	93.243		Rhode Island Department of Behavioral Healthcare, Developmental Disabilities and Hospitals	31,787	-
Community Health Worker Association of Rhode Island	93.366,				
Community Health Worker Training/Advising Department of Health	93.425,		Rhode Island Department of Health	195,080	-
R.I. Office of Healthy Aging Memory Workforce	93.470		R.I. Department of Human Services/Office of Healthy Aging	58,673	-
			Rhode Island Department of Behavioral Healthcare, Developmental Disabilities and Hospitals		
Recovery Friendly Workplace Initiative	93.788		Rhode Island Department of Health	111,017	-
Money Follows the Person	93.791		R.I. Department of Human Services/Office of Healthy Aging	35,406	-
Biomedical Research and Research Training	93.859		Rhode Island Department of Behavioral Healthcare, Developmental Disabilities and Hospitals	1,088,808	-
Subtotal - Pass-through Awards				1,656,945	-
U.S. Department of the Treasury					
COVID-19 - Coronavirus Relief Funds	21.019		Rhode Island Department of Labor and Training	\$ 252,849	\$ 57,519
Social Security Administration:					
Direct Awards:					
Social Security - Work Incentives Planning and Assistance Program	96.008		N/A	129,765	-
Total Non-Cluster				14,563,021	155,865
Total Federal Funds				\$ 56,539,524	\$ 155,865
		*	Total for Assistance Listing Number 93.732	\$405,122	
		**	Total for Assistance Listing Number 93.072	\$22,469	
		***	Total for Assistance Listing Number 84.425	\$10,884,342	

The accompanying notes are an integral part of this schedule.

RHODE ISLAND COLLEGE
(a Component Unit of the State of Rhode Island)

Notes to the 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 Rhode Island College (the “College”) under programs of the Federal Government for the year ended June 30, 2021. The information on this Schedule is prepared 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.

Note 2 - **Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance.

Note 3 - **Determination of Major Programs**

The determination of major federal financial assistance programs was based on the overall level of expenditures for all federal programs for the State of Rhode Island (the “State”), of which Rhode Island College is a component unit. As such, the determination of major programs is made at the State level, where it was determined that the Education Stabilization Fund was a major program during the State fiscal year ended June 30, 2021.

Note 4 - **Indirect Cost Rate**

Expenditures under the research and development cluster include facilities and administrative (F&A) cost recoveries, relating primarily to facilities operation and maintenance; facilities and equipment depreciation; and general, division, and departmental administration services, which are charged to the applicable federal grants under negotiated rates agreed to with the Department of Health and Human Services, the College’s federal cognizant agency. The College has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

RHODE ISLAND COLLEGE
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Notes to the Schedule of Expenditures of Federal Awards - Continued

Year Ended June 30, 2021

Note 5 - **Federal Student Loan Programs**

Perkins Loan Program

The Federal Perkins Loan Program (“Perkins”) is administered by the College and balances and transactions relating to this program are included in the College’s basic financial statements. During the year ended June 30, 2021, no loans were advanced under the Perkins program and no administrative costs were incurred. As of June 30, 2021, loan balances receivable under Perkins was \$2,170,766.

There was no federal capital contribution or match by the College during the current year.

Federal Direct Student Loans

The College disbursed \$25,332,599 of loans under the Federal Direct Student Loans program, which include Stafford Subsidized and Unsubsidized Loans and Parent Plus Loans. The College is only responsible for the performance of certain administrative duties and, accordingly, there are no significant continuing compliance requirements and these loans are not included in the College’s financial statements.

RHODE ISLAND COLLEGE
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Schedule of Findings and Questioned Costs

Year Ended June 30, 2021

Section I – Summary of Auditors’ Results:

Financial Statements

Type of auditors’ report issued:	Unmodified	
Internal control over financial reporting:		
• Material weaknesses identified?	_____ yes	<u> x </u> no
• Significant deficiencies identified that are not considered to be material weaknesses?	_____ yes	<u> x </u> no
Noncompliance material to the financial statements noted?	_____ yes	<u> x </u> no

Federal Awards

Type of auditors’ report issued on compliance for major programs:	Unmodified	
Internal control over major programs:		
• Material weaknesses identified?	_____ yes	<u> x </u> no
• Significant deficiencies identified that are not considered to be material weaknesses?	_____ yes	<u> x </u> no
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	_____ yes	<u> x </u> no

RHODE ISLAND COLLEGE
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2021

Identification of Major Programs

Name of Federal Program or Cluster	Assistance Listing Number
Education Stabilization Fund (ESF):	
COVID-19 - Higher Education Emergency Relief Fund (HEERF) - Student Aid Portion	84.425E
COVID-19 - HEERF - Institutional Portion	84.425F
COVID-19 - HEERF - Strengthening Institutions Program	84.425M

Dollar threshold used to distinguish between
type A and type B programs:

\$25,224,933

Auditee qualified as a low-risk auditee?

_____ yes x no

RHODE ISLAND COLLEGE
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2021

Section II – Financial Statement Findings:

None.

Section III – Federal Award Findings and Questioned Costs:

None.



Management's Summary Schedule of Prior Audit Finding
Year Ended June 30, 2021

Section IV – Management's Summary Schedule of Prior Audit Findings:

Finding number: 2020-001
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
Assistance Listing #: 84.063 and 84.268
Award year: 2020

Condition

The Federal government requires the College to report student enrollment changes to the National Student Loan Data System (“NSLDS”) within sixty days. In a sample of forty students who either graduated, withdrew from the institution, or became enrolled on less than half-time basis, we noted the following:

- Three students that graduated were never reported to NSLDS.
- One student that graduated was not reported to NSLDS within the required time frame. The time frame to report the status change was 147 days, which was 87 days late.

Current Year Status

The College was able to correct this condition and it is not a finding in the fiscal year 2021 Single Audit.