

**MASSACHUSETTS BAY
COMMUNITY COLLEGE**
(an agency of the Commonwealth of Massachusetts)

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

June 30, 2022

MASSACHUSETTS BAY COMMUNITY COLLEGE
(an agency of the Commonwealth of Massachusetts)

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

June 30, 2022

C O N T E N T S

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	1-3
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 <i>Government Auditing Standards</i>	4-5
Schedule of Expenditures of Federal Awards	6
Notes to the Schedule of Expenditures of Federal Awards	7
Schedule of Findings and Questioned Costs	8-11
Required Auditee Information:	
Management's Summary Schedule of Prior Audit Findings	12-13



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

To the Board of Trustees
Massachusetts Bay Community College
Wellesley, Massachusetts

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Massachusetts Bay Community College's (an agency of the Commonwealth of Massachusetts) (the "College") 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 College's major federal programs for the year ended June 30, 2022. The College's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

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 each of its major federal programs for the year ended June 30, 2022.

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; 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"). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Massachusetts Bay Community College and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that 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 Massachusetts Bay 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 Massachusetts Bay Community College's federal programs.

Auditors' 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 the 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 in the United States of America, *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 the judgment made by a reasonable user of the report on compliance about the 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 in the United States of America, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment 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 Massachusetts Bay Community College's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the 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 the 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 that we identified during the audit.

Report on 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 Auditors' 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.

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.

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, 2022. We issued our report thereon dated November 1, 2022, 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. 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
December 13, 2022

(except for the Schedule of Expenditures of Federal Awards, for which the date is November 1, 2022)



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 Trustees
Massachusetts Bay Community College
Wellesley, Massachusetts

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 Massachusetts Bay Community College (the "College"), and its discretely presented major component unit, which comprise the statement of net position as of June 30, 2022, the related statement 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 the College's basic financial statements, and have issued our report thereon dated November 1, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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**

November 1, 2022

**SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS**

MASSACHUSETTS BAY COMMUNITY COLLEGE
(an agency of the Commonwealth of Massachusetts)

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2022

	Assistance Listing Number	Pass-Through Entity	Pass-Through Entity Award Number	Federal Expenditures	Total by Program	Passed Through to Subrecipients
STUDENT FINANCIAL ASSISTANCE CLUSTER						
U.S. Department of Education:						
Direct Awards:						
Federal Supplemental Educational Opportunity Grant	84.007	N/A	N/A	\$ 132,171	\$ -	\$ -
Federal Work-Study Program	84.033	N/A	N/A	16,512	-	-
Federal Pell Grant Program	84.063	N/A	N/A	3,517,505	-	-
Federal Direct Student Loans	84.268	N/A	N/A	1,730,544	5,396,732	-
Total Student Financial Assistance Cluster				5,396,732	5,396,732	-
RESEARCH AND DEVELOPMENT CLUSTER						
National Science Foundation:						
Pass-through Awards:						
Education and Human Resources	47.076	N/A	N/A	96,140	-	-
Education and Human Resources	47.076	Northeastern University	502411-78052	20,451	116,591	-
Total National Science Foundation				116,591	116,591	-
U.S. Department of Health and Human Services						
Direct Awards:						
National Institutes of Health - Biomedical Research and Research Training - Bridges to the Baccalaureate	93.859	University of Massachusetts - Boston	B000482065	7,871	7,871	-
Total Research and Development Cluster				124,462	124,462	-
NON-CLUSTER						
U.S. Department of Education:						
Direct Awards:						
Title III Part A Strengthening Institutions Program	84.031A	N/A	N/A	361,538	361,538	-
Career and Technical Education - Basic Grants to States	84.048	Massachusetts Department of Education	V048A190021	197,244	197,244	-
COVID-19 - Higher Education Emergency Relief Fund - Student Aid Portion	84.425E	N/A	N/A	4,075,247	-	-
COVID-19 - Higher Education Emergency Relief Fund - Strengthening Institutions Program	84.425M	N/A	N/A	313,345	4,388,592	-
Subtotal - Direct Awards				4,947,374	4,947,374	-
U.S. Department of Treasury:						
Direct Awards:						
COVID-19 - Coronavirus Relief Fund	21.019	Commonwealth Corporation	220312	16,007	16,007	-
U.S. Department of Defense						
Direct Awards:						
Basic, Applied and Advanced Research in Science and Engineering	12.630	Cape Cod Community College	SOW 2021-03	32,397	32,397	-
Corporation for National and Community Service						
Direct Awards:						
Federal AmeriCorps Program	94.006	N/A	N/A	923	923	-
Total Non-Cluster				4,996,701	4,996,701	-
Total Federal Funds				\$ 10,517,895	\$ 10,517,895	\$ -

See the accompanying notes to the Schedule of Expenditures of Federal Awards.

MASSACHUSETTS BAY COMMUNITY COLLEGE

(an Agency of the Commonwealth of Massachusetts)

Notes to the Schedule of Expenditures of Federal Awards

Year Ended June 30, 2022

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the “Schedule”) includes the federal award activity of Massachusetts Bay Community College (the “College”) under programs of the Federal Government for the year ended June 30, 2022. 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 - Indirect Cost Rate

The College has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4 - Federal Direct Student Loans

The College disbursed \$1,730,544 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.

MASSACHUSETTS BAY COMMUNITY COLLEGE
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Schedule of Findings and Questioned Costs

Year Ended June 30, 2022

Section I – Summary of Auditors’ Results:

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? ☐ yes ☒ no
- Significant deficiencies identified that are not considered to be material weaknesses? ☐ yes ☒ no

Noncompliance material to the financial statements noted? ☐ yes ☒ no

Federal Awards

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

Internal control over major programs:

- Material weaknesses identified? ☐ yes ☒ no
- Significant deficiencies identified that are not considered to be material weaknesses? ☐ yes ☒ no

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? ☐ yes ☒ no

MASSACHUSETTS BAY COMMUNITY COLLEGE
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2022

Section I – Summary of Auditors’ Results - Continued:

Identification of Major Programs

Name of Federal Program or Cluster	Assistance Listing #
Education Stabilization Fund:	
Higher Education Emergency Relief Fund (HEERF) Student Aid Portion	84.425E
HEERF Strengthening Institutions Program	84.425M
Non-Cluster:	
Career and Technical Education – Basic Grants to States	84.048

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

\$750,000

Auditee qualified as a low-risk auditee?

 x yes no

MASSACHUSETTS BAY COMMUNITY COLLEGE
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2022

Section II – Financial Statement Findings:

None

MASSACHUSETTS BAY COMMUNITY COLLEGE
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Schedule of Findings and Questioned Costs - Continued

Year Ended June 30, 2022

Section III – Federal Award Findings and Questioned Costs:

None.



MassBay Community College
Wellesley Hills Campus
50 Oakland Street
Wellesley Hills, MA 02481
Tel: 781.239.3000

Management's Summary Schedule of Prior Audit Findings

Year Ended June 30, 2021

Finding number: 2021-001
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
Assistance Listing #'s: 84.063, 84.268
Award year: 2021

Condition

The Federal Government requires the College to report student status enrollment changes to the National Student Loan Data System ("NSLDS") within 60 days.

Award Year 2021:

During our testing of forty students with enrollment status changes, we noted the following:

1. Two students' status changes were not reported to NSDLS within the required timeframe.

Award Year 2020:

During our testing of forty students with enrollment status changes, we noted the following:

1. Two students' status changes were never reported to NSLDS.
2. Three students had incorrect status changes reported to NSLDS.

Current Status

The corrective action plan was fully implemented. The auditors' current year testing revealed no findings in this area.



MassBay Community College
Wellesley Hills Campus
50 Oakland Street
Wellesley Hills, MA 02481
Tel: 781.239.3000

Management's Summary Schedule of Prior Audit Findings - Continued

Year Ended June 30, 2021

Finding number: 2021-002
Federal agency: U.S. Department of Education
Programs: Student Financial Assistance Cluster
Assistance Listing #'s: 84.063, 84.268
Award year: 2020

Condition

Federal regulations require an institution to return unclaimed Title IV funds issued by check or EFT within 240 days.

Award Year 2021:

During our testing, we noted 1 student, out of a sample of 25, that had unclaimed funds exceeding the federal day limit.

Award Year 2020:

During our testing, we noted 7 students, out of a sample of 40, that had unclaimed funds exceeding the federal day limit.

Current Status

The corrective action plan was fully implemented. The auditors' current year testing revealed no findings in this area.