



Federal Awards Reports in Accordance with
Uniform Guidance
June 30, 2020

North Idaho College



Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Trustees
North Idaho College
Coeur d’Alene, Idaho

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 North Idaho College (the College) as of and for the year ended June 30, 2020, and the related notes to the financial statements, and have issued our report thereon dated November 19, 2020. Our report includes a reference to other auditors who audited the financial statements of the North Idaho College Foundation, Inc., as described in our report on the College’s financial statements. The audit of the financial statements of North Idaho College Foundation, Inc. was not performed in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with North Idaho College Foundation, Inc.

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 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 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 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 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.

A handwritten signature in cursive script that reads "Eide Sully LLP".

Boise, Idaho
November 19, 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
North Idaho College
Coeur d’Alene, Idaho

Report on Compliance for Each Major Federal Program

We have audited North Idaho College’s (the College) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the College’s major federal programs for the year ended June 30, 2020. The College’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 the compliance for each of the 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 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 programs. However, our audit does not provide a legal determination of the College’s compliance.

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

Management of the College is responsible for establishing and maintaining effective internal control over compliance with the 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 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 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. 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.

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

We have audited the financial statements of North Idaho College as of and for the year ended June 30, 2020, and have issued our report thereon dated November 19, 2020, 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 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 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 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 financial statements as a whole.

Eide Bailly LLP

Boise, Idaho

March 16, 2021, except for our report on the schedule of expenditures of federal awards, for which the date is November 19, 2020

North Idaho College
 Schedule of Expenditures of Federal Awards
 Year Ended June 30, 2020

Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Health and Human Services:			
<u>Direct Programs</u>			
Head Start	93.600		\$ 3,212,399
TANF Cluster:			
Temporary Assistance for Needy Families	93.558		<u>134,888</u>
Subtotal Department of Health and Human Services Direct Programs			<u>3,347,287</u>
<u>Pass-Through Programs</u>			
State of Idaho Commission on Aging:			
Aging Cluster:			
Special Programs for the Aging Title III, Part B Grants for			
Supportive Services and Senior Centers	93.044	826000936 13	334,038
COVID-19 Title III-B	93.044	826000936 13	469
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	826000936 13	411,810
COVID-19 Title III-C	93.045	826000936 13	301,614
COVID-19 Families First Coronavirus Response Act, Title III-C	93.045	826000936 13	191,420
Nutrition Services Incentive Program	93.053	826000936 13	<u>90,392</u>
Total Aging Cluster			<u>1,329,743</u>
Special Programs for the Aging Title VII, Chapter 2 Long-Term Care			
Ombudsman Services for Older Individuals	93.042	826000936 13	14,801
COVID-19 Title VII Ombudsman	93.042	826000936 13	<u>1,775</u>
			<u>16,576</u>
Special Programs for the Aging Title III Part F Disease			
Prevention Health Promotion Services	93.043	826000936 13	58,198
National Family Caregiver Support, Title III, Part E	93.052	826000936 13	218,069
Medicare Enrollment Assistance Program	93.071	826000936 13	13,717
State Medicaid Fraud Control Units	93.048	826000936 13	21,678
Idaho Department of Health & Welfare:			
Preventive Health and Health Services Block Grant	93.991	HC1101100	11,045
University of Idaho:			
Research and Development Cluster			
Idaho INBRE-3 Network with NIC	93.859	SI3394-SB-825964	48,780
Idaho INBRE-3 Network - TWDD	93.859	SI3394-SB-825926	21,039
Idaho INBRE-3 Network - TWDD	93.859	SI3394-SB-825963	71,786
Idaho INBRE-3 Pilot Project - Foster	93.859	SI3394-SB-825935	<u>8,783</u>
Total Research and Development Cluster			<u>150,388</u>
Subtotal Department of Health and Human Services Pass-Through Programs			<u>1,819,414</u>
Total Department of Health and Human Services			<u>5,166,701</u>

North Idaho College
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Commerce Economic and Development Administration			
<u>Direct Programs:</u>			
Office of Innovation and Entrepreneurship Regional Innovation Strategies Program	11.020		172,697
Total Department of Commerce and Economic Development Administration			172,697
Department of Education:			
<u>Direct Programs:</u>			
Student Financial Assistance Cluster:			
Federal Supplemental Educational Opportunity Grants	84.007		217,200
Federal Work-Study Program	84.033		94,582
Federal Pell Grant Program	84.063		5,474,598
Federal Direct Student Loans	84.268		4,534,702
Total Student Financial Assistance Cluster			10,321,082
TRIO Cluster			
TRIO - Student Support Services	84.042A		304,922
COVID-19 Higher Education Emergency Relief Fund - Student Share	84.425e		787,810
COVID-19 Higher Education Emergency Relief Fund - Institutional Share	84.425f		562,089
			1,349,899
Subtotal Department of Education Direct Programs			11,975,903
<u>Pass-Through Programs:</u>			
State of Idaho Professional-Technical Education			
Adult Education - Basic Grants to States	84.002A	RG1614L1	230,112
Adult Education - Basic Grants to States	85.002A	RG1614M1	16,569
Adult Education - Basic Grants to States	84.002A	AL9614B1	24,561
Total Adult Education - Basic Grants to States			271,242
Career and Technical Education - Basic Grants to States	84.048A	RG1614-E1	177,994
Career and Technical Education - Basic Grants to States	84.048A	RG1614-E3	62,359
Career and Technical Education - Basic Grants to States	84.048A	RG1614-E2	51,834
Career and Technical Education - Basic Grants to States	84.048A	RG1614W0	9,995
Career and Technical Education - Basic Grants to States	84.048A	20V048-90	85,198
Total Career and Technical Education - Basic Grants to States			387,380
Gaining Early Awareness and Readiness for Undergraduate Programs	83.334	826000936 01	100,500
Subtotal Department of Education Pass-Through Programs			759,122
Total Department of Education			12,735,025

North Idaho College
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Labor Employment Training Administration:			
<u>Pass-Through Programs:</u>			
State of Idaho Department of Labor:			
WIOA Cluster			
WIA Adult Program	17.258	826000936 19	71,694
Department of Labor Mine Safety and Health Administration direct:			
Mine Health and Safety Grants	17.600	MS270431555R16	<u>140,546</u>
Total Department of Labor Employment Training Administration			<u>212,240</u>
Department of Agriculture Food and Nutrition Service:			
<u>Pass-Through Programs</u>			
State of Idaho Superintendent of Public Instruction:			
Child and Adult Care Food Program	10.558	826000936 06	<u>161,450</u>
SNAP Cluster			
Supplemental Nutrition Assistance	10.551	WC089400	<u>94,629</u>
Total Department of Agriculture Food and Nutrition Service			<u>256,079</u>
Department of Defense:			
<u>Pass-Through Programs</u>			
Boise State University:			
Procurement Technical Assistance Center (PTAC) 2020	12.002	8580-PO134957	<u>21,224</u>
Total Department of Defense			<u>21,224</u>
Small Business Administration			
<u>Pass-Through Programs</u>			
Boise State University:			
Small Business Development Centers	59.037	7982-E	78,151
COVID-19 Small Business Development Centers	59.037	9405-PO137295	<u>6,985</u>
Total Small Business Administration			<u>85,136</u>
Total expenditures of federal awards			<u><u>\$ 18,649,102</u></u>

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes the federal award activity of the North Idaho College (the College) under programs of the federal government for the year ended June 30, 2020. The information 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 North Idaho College.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the schedule are reported on the accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Note 3 - Indirect Cost Rate

The College has not elected to use the 10% de minimis cost rate.

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting: Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major program: Material weaknesses identified	No
Significant deficiencies identified not considered to be material weaknesses	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance:	No

Identification of major programs:

<u>Name of Federal Program</u>	<u>CFDA Number</u>
Student Financial Assistance Cluster	84.007, 84.033, 84.063, 84.268
Aging Cluster	93.044, 93.045, 93.053
Higher Education Emergency Relief Fund	84.425e, 84.425f

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II – Findings – Financial Statement Audit

There were no findings relating to the financial statement audit.

Section III -Findings and Questioned Costs – Major Federal Award Programs Audit

No findings noted.