CASPER COMMUNITY COLLEGE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2025

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with U.S. GAAP: Unmodified

Internal control over financial reporting:

• Material weakness(es) identified?	☐ Yes	☒ No
• Significant deficiency(ies) identified?	☒ Yes	☐ None Reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major Federal programs:

• Material weakness(es) identified?	☐ Yes	☒ No
• Significant deficiency(ies) identified?	☒ Yes	☐ None Reported

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

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

Identification of major Federal programs:

Assistance Listing Number	Name of Federal Program or Cluster
Cluster	Student Financial Assistance
84.334	Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP)

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

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

CASPER COMMUNITY COLLEGE DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2025

II. FINANCIAL STATEMENT FINDINGS

2025-001: Internal Controls and Audit Adjustments - Accounts Payable (Significant Deficiency)

Criteria: An internal control structure should be designed to identify adjusting journal entries that are significant to the Casper Community College District's (the College) financial statements prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Fundamental concepts in an adequate system of internal control are the identification and prevention or detection of errors on a timely basis.

Condition/context: An adjusting journal entry was proposed to increase accounts payable and construction in progress for $329,930.

Cause: The College's internal control structure has not historically provided for a thorough review of subsequent invoices relating to construction in progress. As a result, the College did not have adequate controls in place to review construction-in-progress invoices to determine what should be included in accounts payable.

Effect: Prior to the proposed audit adjustment, the financial statements were not properly stated in accordance with U.S. GAAP.

Recommendation: We recommend that the College revise its current internal control structure to provide for a more robust year-end review of accounts payable balances.

Views of responsible officials and planned corrective actions: Management concurs with the finding. See Exhibit I.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

2025-002: Student Financial Audit Cluster - Reporting (Significant Deficiency)

Assistance Listing Numbers/Titles: #84.007, Federal Supplemental Educational Opportunity Grants; and #84.033, Federal Work-Study Program
Federal Agency Name: U.S. Department of Education
Award Number: N/A
Award Year: July 1, 2024 - June 30, 2025

Criteria: Per 34 CFR 675.19(b)(3) and 676.19(b)(3), each year an institution shall submit a Fiscal Operations Report plus other information the Secretary requires. The institution shall ensure that the information reported is accurate and shall submit it on the form and at the time specified by the Secretary.

Additionally, per Section E - Assessments and Expenditures - of the Fiscal Operations Report for 2023-24 and Application to Participate for 2025-26 (FISAP) Instructions, the tuition and fees revenue must be only for those students reported in Section D. Section D - Information on Enrollment - indicates that students who are enrolled in classes that do not count for credit or are high school students and are not regular students should not be included.

Condition/context: The College did not report tuition and fees in Part II, Section E, Line 22 in accordance with the guidance reported in Section E of the FISAP Instructions.

Cause: The College does not have controls in place to ensure that tuition and fees are accurately reported in the FISAP.

Effect: If the College fails to comply with the terms and conditions of a Federal award, the Federal awarding agency may impose additional conditions, as described in 2 CFR 200.208, or implement other remedies for noncompliance, as described in 2 CFR 200.339.

Additionally, incorrect reporting in the FISAP may result in incorrect award calculations by the Department of Education. The College may be required to return funds to which it is not entitled.

Questioned costs: None.

Identification as a repeat finding: No.

Recommendation: The College should implement an additional control to ensure that tuition and fees are accurately reported in the FISAP.

Views of responsible officials and planned corrective actions: Management concurs with the finding. See Exhibit I.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS, *Continued*

2025-003: Student Financial Audit Cluster - Special Tests and Provisions: Disbursements to, or on Behalf of, Students (Significant Deficiency)

Assistance Listing Numbers/Titles: #84.007, Federal Supplemental Educational Opportunity Grants; #84.033, Federal Work-Study Program; #84.063, Federal Pell Grant Program; and #84.268, Federal Direct Student Loans
Federal Agency Name: U.S. Department of Education
Award Number: N/A
Award Year: July 1, 2024 - June 30, 2025

Criteria: Per 34 CFR 668.165(a)(1), before an institution disburses Title IV funds for any award year, the institution must notify a student of the amount of funds that the student or his or her parent can expect to receive under each Title IV program, and how and when those funds will be disbursed.

Condition/context: The College's award notifications for the Fall 2024 semester did not include when the funds will be disbursed. As such, this information was not included in the files for 34 out of the 42 students selected for testing.

Cause: The College believed that it was compliant by sending notifications on the day of disbursement. Once the issue was brought to the College's attention, it modified the award notifications to include the required verbiage; however, the correction was not made until Spring 2025.

Effect: If the College fails to comply with the terms and conditions of a Federal award, the Federal awarding agency may impose additional conditions, as described in 2 CFR 200.208, or implement other remedies for noncompliance, as described in 2 CFR 200.339.

Questioned costs: None.

Identification as a repeat finding: Yes. See 2024-004.

Recommendation: The College should continue to include the disbursement date in award notifications or refer to the academic calendar (which includes disbursement dates) in all award notifications.

Views of responsible officials and planned corrective actions: Management concurs with the finding. See Exhibit I.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS, *Continued*

2025-004: Student Financial Audit Cluster - Special Tests and Provisions: Enrollment Reporting (Significant Deficiency)

Assistance Listing Numbers/Titles: #84.063, Federal Pell Grant Program; and #84.268, Federal Direct Student Loans
Federal Agency Name: U.S. Department of Education
Award Number: N/A
Award Year: July 1, 2024 - June 30, 2025

Criteria: Per 34 CFR 690.83, an institution shall submit, in accordance with deadline dates established by the Secretary, through publication in the Federal Register, other reports and information the Secretary requires in connection with the funds advanced to it and shall comply with the procedures the Secretary finds necessary to ensure that the reports are correct. Additionally, per 34 CFR 685.309, upon receipt of an enrollment report from the Secretary, a school must update all information included in the report and return the report to the Secretary (i) In the manner and format prescribed by the Secretary; and (ii) Within the timeframe prescribed by the Secretary.

Condition/context: Of the 23 students selected for testing:

- Ten students were not reported to the National Student Loan Data System (NSLDS) with an accurate effective date.
- Nine students' statuses were not reported timely to NSLDS.
- Three students' withdrawn statuses were not reported to NSLDS.

Cause: The College was following institutional policy, which was not compliant with 34 CFR 690.83 or 34 CFR 685.309.

Effect: If the College fails to comply with the terms and conditions of a Federal award, the Federal awarding agency may impose additional conditions, as described in 2 CFR 200.208, or implement other remedies for noncompliance, as described in 2 CFR 200.339. Additionally, improper reporting of student status changes could impact students' interest subsidy, repayment status, and/or Maximum Eligibility Period.

Questioned costs: None.

Identification as a repeat finding: Yes. See 2024-005.

Recommendation: The College should implement controls to ensure the proper, accurate, and timely reporting of student status changes and all related pertinent information.

Views of responsible officials and planned corrective actions: Management concurs with the finding. See Exhibit I.

CASPER COMMUNITY COLLEGE DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2025

I. FINANCIAL STATEMENT FINDINGS

2024-001: Internal Controls and Audit Adjustments to Net Position (Material Weakness)

Condition/context: Adjusting journal entries were proposed as follows:

- To decrease deferred inflows of resources and increase deferred outflows of resources for the pension plan by approximately $6.7 million and $1 million, respectively, and increase net position by approximately $7.7 million.
- To decrease deferred inflows of resources and deferred outflows of resources for the OPEB plan by approximately $1.2 million and $6.7 million, respectively, and decrease net position by approximately $5.5 million.
- To decrease deposits with bond trustee and net position by approximately $232,000.
- To increase property, plant and equipment, net and net position by approximately $5.2 million.
- To increase allowance for bad debt and decrease net position by $878,000.
- To increase prepaid expense and net position by approximately $555,000.
- To increase property taxes receivable, unavailable revenue and unearned revenue by $1.7 million, $1.5 million and $2.8 million, respectively, with a $2.6 million decrease to net position.
- To increase accounts receivable and net position by approximately $222,000.

Recommendation: We recommend that the College continue to utilize the assistance of an external accountant to assist with year-end financial statement preparation. Additionally, we recommend that the College revise its current internal control structure to provide for a more robust year-end review of journal entries proposed by the College's external auditor.

Status: The College retained both an outside CPA and an experienced consultant to assist with financial statement preparation and oversight of year-end adjustments for audit preparation. The former controller role was replaced with a CPA to further enhance internal expertise and oversight.

Auditor's comments: The corrective action plan was implemented. This finding is considered resolved.

2024-002: Internal Controls and Audit Adjustments and Reclassifications to Current-Year Balances (Significant Deficiency)

Condition/context: Adjusting journal entries were proposed as follows:

- To remove $749,000 of rental income and expense recognized from the Casper College Foundation.
- To increase Federal contracts and grants revenue and accounts receivable by approximately $121,000.
- To increase cash and cash equivalents and accounts payable by approximately $171,000.

Recommendation: We recommend that the College revise its current internal control structure to provide for a more robust year-end review of account balances and journal entries recorded by the College.

I. FINANCIAL STATEMENT FINDINGS, *Continued*

Status: The College has retained an experienced consultant to assist with financial statement preparation and oversight of year-end adjustments. She has also been retained to train the new controller on year-end processes and to assist the VP of administrative services with oversight for the current fiscal year.

Auditor's comments: The corrective action plan was implemented. This finding is considered resolved.

2024-003: Student Financial Assistance Cluster - Reporting (Significant Deficiency)

Assistance Listing Numbers/Titles: #84.007, Federal Supplemental Educational Opportunity Grants; and #84.033, Federal Work-Study Program
Federal Agency Name: U.S. Department of Education
Award Number: N/A
Award Year: July 1, 2023 - June 30, 2024

Condition/context: The College was unable to provide documentation that supported the information reported in Part II, Section D, Line 7(a) and Part II, Section E, Line 22.

Recommendation: The College should implement controls to ensure that all reports, queries, etc. utilized in the preparation of the FISAP are retained.

Status: The College has since implemented a new systemic data isolation control and dual-review process to ensure that documentation is properly reviewed and maintained relating to the FISAP report.

Auditor's comments: The corrective action plan was implemented. This finding is considered resolved.

2024-004: Student Financial Assistance Cluster - Special Tests and Provisions: Disbursements to, or on Behalf of, Students (Significant Deficiency)

Assistance Listing Numbers/Titles: #84.007, Federal Supplemental Educational Opportunity Grants; #84.033, Federal Work-Study Program; #84.063, Federal Pell Grant Program; and #84.268, Federal Direct Student Loans
Federal Agency Name: U.S. Department of Education
Award Number: N/A
Award Year: July 1, 2023 - June 30, 2024

Condition/context: The College's award notifications do not include when the funds will be disbursed. As such, this information was not included in the files of all 25 students selected for testing.

Recommendation: The College should include the disbursement date in award notifications or refer to the academic calendar (which includes disbursement dates) in all award notifications.

I. FINANCIAL STATEMENT FINDINGS, *Continued*

Status: The initial update to award notifications was not consistently applied, leading to a repeat finding (2025-003). The College has since finalized and deployed revised compliant award notification templates and implemented enhanced pre-release compliance reviews (detailed in the corrective action plan for 2025-003) to ensure the permanent disclosure of disbursement dates and remedy the issue moving forward.

Auditor's comments: This finding was partially resolved in the current year. Due to the communication of the finding in the prior year, the College was unable to implement its corrective action in time for Fall 2024 disbursements. However, the College appropriately implemented its corrective action starting with Spring 2025 disbursements.

2024-005: Student Financial Assistance Cluster - Special Tests and Provisions: Enrollment Reporting (Significant Deficiency)

Assistance Listing Numbers/Titles: #84.063, Federal Pell Grant Program; and #84.268, Federal Direct Student Loans
Federal Agency Name: U.S. Department of Education
Award Number: N/A
Award Year: July 1, 2023 - June 30, 2024

Condition/context: Of the 24 students selected for testing:

- Seven students' withdrawn status was not reported to the National Student Loan Data System (NSLDS).
- Eight students were not reported to NSLDS with an accurate withdrawal date.
- Eight students' statuses were not reported timely to NSLDS.

Recommendation: The College should implement controls to ensure the proper, accurate, and timely reporting of student status changes and all related pertinent information.

Status: The manual failsafe procedure developed to update NSLDS proved insufficient to ensure the timely and accurate reporting of student status changes, leading to a repeat finding (2025-004). The College has implemented a new, strengthened, and formalized internal audit procedures (detailed in the corrective action plan for 2025-004) to prevent recurrence and ensure timely, accurate NSLDS enrollment updates moving forward.

Auditor's comments: This finding remains open; see current-year finding 2025-004.