



# **Nebraska State College System A Component Unit of the State of Nebraska**

## **Single Audit Reports**

June 30, 2023



**Nebraska State College System**  
**A Component Unit of the State of Nebraska**  
**June 30, 2023**

**Contents**

<b>Independent Auditor's Report .....</b>	<b>1</b>
<b>Schedule of Expenditures of Federal Awards .....</b>	<b>3</b>
<b>Notes to Schedule of Expenditures of Federal Awards.....</b>	<b>7</b>
<b>Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance – Independent Auditor's Report.....</b>	<b>8</b>
<b>Schedule of Findings and Questioned Costs.....</b>	<b>11</b>
<b>Summary Schedule of Prior Audit Findings .....</b>	<b>14</b>



1248 O Street, Suite 1040 / Lincoln, NE 68508

P 402.473.7600 / F 402.473.7698

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## Independent Auditor's Report

The Board of Trustees  
Nebraska State College System  
Lincoln, Nebraska

### Report on the Audit of the Schedule of Expenditures of Federal Awards

#### **Opinion**

We have audited the accompanying schedule of expenditures of federal awards of the Nebraska State College System (System), a component unit of the State of Nebraska, for the year ended June 30, 2023, and the related notes (the schedule).

In our opinion, the accompanying schedule of expenditures of federal awards presents fairly, in all material respects, the expenditures of federal awards of the Nebraska State College System for the year ended June 30, 2023, in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of the Schedule" section of our report.

We are required to be independent of the System 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.

#### **Responsibilities of Management for the Schedule**

Management is responsible for the preparation and fair presentation of the schedule in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedule that is free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibilities for the Audit of the Schedule***

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect a material misstatement when it exists. The risk of not detecting a material misstatement 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user based on the schedule.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the schedule, 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 the amounts and disclosures in the schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the System's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the schedule of expenditures of federal awards.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

**FORVIS, LLP**

Lincoln, Nebraska  
December 20, 2023

**Nebraska State College System**  
**A Component Unit of the State of Nebraska**  
**Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2023**

Federal Grantor/ Cluster/Program	Pass-Through Entity	Assistance Listing #	Grant Number/Pass- Through Entity Identifying Number	Wayne	Peru	Chadron	System	FY 2023 Expenditures	Passed Through to Subrecipients
<i>Student Financial Assistance Cluster:</i>									
<i>U.S. Department of Education:</i>									
Federal Supplemental Educational Opportunity Grants		84.007	P007A2224810 P007A2224690 P007A2224400	\$ 60,329	\$ 51,258	\$ 55,367	\$ -	\$ 166,954	\$ -
Federal Work-Study Program		84.033	P033A2124810 P033A2224810 P033A2124690 P033A2224690 P033A2224400	103,733	89,884	206,048	-	399,665	-
Federal Pell Grant Program		84.063	P063P2117870 P063P2217870 P063Q2117870 P063Q2217870 P063P2117840 P063P2217840 P063P2102640 P063P2202640 P063Q2102640 P063Q2202640	4,976,379	2,743,757	3,477,196	-	11,197,332	-
Federal Direct Student Loans		84.268	P268K2217870 P268K2317870 P268K2217840 P268K2317840 P268K2202640 P268K2302640	13,737,540	6,017,918	8,604,579	-	28,360,037	-
Teacher Education Assistance for College & Higher Education Grants (TEACH Grants)		84.379	P379T2317870	11,316	-	-	-	11,316	-
<b>Total Student Financial Assistance Cluster</b>				<b>\$ 18,889,297</b>	<b>\$ 8,902,817</b>	<b>\$ 12,343,190</b>	<b>\$ -</b>	<b>\$ 40,135,304</b>	<b>\$ -</b>

The accompanying notes are an integral part of this schedule.

**Nebraska State College System**  
**A Component Unit of the State of Nebraska**  
**Schedule of Expenditures of Federal Awards - Continued**  
**Year Ended June 30, 2023**

Federal Grantor/ Cluster/Program	Pass-Through Entity	Assistance Listing #	Grant Number/Pass- Through Entity Identifying Number	Wayne	Peru	Chadron	System	FY 2023 Expenditures	Passed Through to Subrecipients
<b>TRIO Cluster:</b>									
<i>U.S. Department of Education:</i>									
Trio - Student Support Services		84.042	P042A2009670 P042A2002100 P042A2014850	\$ 346,538	\$ 341,249	\$ 271,601	\$ -	\$ 959,388	\$ -
Trio - Upward Bound		84.047	P047A1703580 P047A2206930	-	-	261,189	-	261,189	-
<b>Total Trio Cluster</b>				<u>346,538</u>	<u>341,249</u>	<u>532,790</u>	<u>-</u>	<u>1,220,577</u>	<u>-</u>
<b>CCDF Cluster:</b>									
<i>U.S. Department of Health and Human Services:</i>									
Child Care and Development Block Grant		93.575	G1901NECCDF 2101NECSC6	-	-	28,752	-	28,752	-
<b>Total CCDF Cluster</b>				<u>-</u>	<u>-</u>	<u>28,752</u>	<u>-</u>	<u>28,752</u>	<u>-</u>
<b>Research and Development Cluster:</b>									
<i>National Science Foundation:</i>									
Biological Sciences		47.074	DBI-1702516	-	-	1,215	-	1,215	-
Integrative Activities		47.083	OIA-2044049 1557417	1,996	-	4,994	-	6,990	-
STEM Education (formerly Education and Human Resources)		47.076	2150890 2130142	232,194	-	-	-	232,194	-
<i>U.S. Department of Health &amp; Human Services:</i>									
Mental and Behavioral Health Education and Training Grants	University of Nebraska Medical Center (UNMC) & Nebraska Department of Health & Human Services	93.732	5M01HP42010-02-00	190,993	-	-	-	190,993	-
<b>Total Research and Development Cluster</b>				<u>\$ 425,183</u>	<u>\$ -</u>	<u>\$ 6,209</u>	<u>\$ -</u>	<u>\$ 431,392</u>	<u>\$ -</u>

The accompanying notes are an integral part of this schedule.

**Nebraska State College System**  
**A Component Unit of the State of Nebraska**  
**Schedule of Expenditures of Federal Awards - Continued**  
**Year Ended June 30, 2023**

Federal Grantor/ Cluster/Program	Pass-Through Entity	Assistance Listing #	Grant Number/Pass- Through Entity Identifying Number	Wayne	Peru	Chadron	System	FY 2023 Expenditures	Passed Through to Subrecipients
<i>Other Programs:</i>									
<i>U.S. Department of Agriculture:</i>									
Child and Adult Care Food Program		10.558	202122N202043	\$ -	\$ -	\$ 4,859	\$ -	\$ 4,859	\$ -
Research Joint Venture and Cost Reimbursable Agreements		10.707	22-JV-11221632-030	-	-	7,448	-	7,448	-
<i>U.S. Department of Justice:</i>									
Grants to Reduce Domestic Violence, Dating Violence, Sexual Assault, and Stalking on Campus		16.525	15JOVW-21-GG-02393-CAMP	44,237	-	-	-	44,237	-
<i>U.S. Department of Treasury:</i>									
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	Nebraska Department of the Military and UNMC	21.027		-	-	9,352	905,494	914,846	-
<i>U.S. Small Business Administration:</i>									
Small Business Development Centers	University of Nebraska - Omaha (UNO)	59.037	45-0606-1116-201 45-0606-1114-202 45-0606-1116-202	73,844	-	34,394	-	108,238	-
<i>U.S. Department of Education:</i>									
Higher Education Institutional Aid		84.031	P031A2100680	379,067	-	-	-	379,067	-

The accompanying notes are an integral part of this schedule.

**Nebraska State College System**  
**A Component Unit of the State of Nebraska**  
**Schedule of Expenditures of Federal Awards - Continued**  
**Year Ended June 30, 2023**

Federal Grantor/ Cluster/Program	Pass-Through Entity	Assistance Listing #	Grant Number/Pass- Through Entity Identifying Number	Wayne	Peru	Chadron	System	FY 2023 Expenditures	Passed Through to Subrecipients
<i>Higher Education Emergency Relief Fund:</i>									
<i>U.S. Department of Education:</i>									
COVID-19 Education Stabilization Fund		84.425F	P425F2036450 P425F2033490 P425F2013880	\$ 2,131,499	\$ 815,927	\$ 306,508	\$ -	\$ 3,253,934	\$ -
COVID-19 Education Stabilization Fund	Nebraska Department of Education	84.425U	22-4989-01-00-23-99	-	-	46,000	-	46,000	-
<b>Total Higher Education Emergency Relief Fund</b>				<u>2,131,499</u>	<u>815,927</u>	<u>352,508</u>	<u>-</u>	<u>3,299,934</u>	<u>-</u>
<i>U.S. Department of Health and Human Services:</i>									
Biomedical Research and Research Training		93.859	5P20GM103427-21 5P20GM103427-22 5P20GM103427-20	43,310	-	34,163	-	77,473	-
Block Grants for Prevention and Treatment of Substance Abuse		93.959	62627 Y3	13,382	-	-	-	13,382	-
<b>Total Other Programs</b>				<u>2,685,339</u>	<u>815,927</u>	<u>442,724</u>	<u>905,494</u>	<u>4,849,484</u>	<u>-</u>
<b>Total Expenditures of Federal Awards</b>				<u>\$ 22,346,357</u>	<u>\$ 10,059,993</u>	<u>\$ 13,353,665</u>	<u>\$ 905,494</u>	<u>\$ 46,665,509</u>	<u>\$ -</u>

The accompanying notes are an integral part of this schedule.



**Nebraska State College System**  
**A Component Unit of the State of Nebraska**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2023**

**Note 1: Basis of Presentation**

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of the Nebraska State College System (System) under programs of the federal government for the fiscal year ended June 30, 2023. The information in this 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 the System, it is not intended to and does not present the financial position, changes in net position or cash flows of the System.

**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 or other applicable regulatory guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

**Note 3: Indirect Cost Rate**

The System has elected not to use the ten percent de minimis cost rate allowed under the Uniform Guidance.



1248 O Street, Suite 1040 / Lincoln, NE 68508

P 402.473.7600 / F 402.473.7698

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## **Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance**

### **Independent Auditor's Report**

The Board of Trustees  
Nebraska State College System  
Lincoln, Nebraska

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

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

We have audited the Nebraska State College System's (System) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the System's major federal programs for the year ended June 30, 2023. The System's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the System complied, in all material respects, with the 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, 2023.

##### ***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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the System 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 the System'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 the System's federal programs.

### ***Auditor's 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 System'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 GAAS, *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 System's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 the System'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 System'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 System'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 “Auditor’s 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.

**FORVIS, LLP**

Lincoln, Nebraska  
December 20, 2023

**Nebraska State College System**  
**A Component Unit of the State of Nebraska**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2023**

**Section I – Summary of Auditor’s Results**

The financial statements of the Nebraska State College System were audited by the Nebraska Auditor of Public Accounts and were provided under separate cover. Certain items are summarized below.

*Financial Statements*

1. The type of report the Nebraska Auditor of Public Accounts issued on whether the financial statements audited were prepared in accordance with GAAP:

☒ Unmodified      ☐ Qualified      ☐ Adverse      ☐ Disclaimer

2. The Nebraska Auditor of Public Accounts independent auditor’s report on internal control over financial reporting:

Significant deficiency(ies) identified?      ☐ Yes      ☒ None reported

Material weakness(es) identified?      ☐ Yes      ☒ No

3. Noncompliance considered material to the financial statements was noted by the audit by the Nebraska Auditor of Public Accounts?      ☐ Yes      ☒ No

*Federal Awards*

4. The independent auditor’s report on internal control over major federal awards programs:

Significant deficiency(ies) identified?      ☐ Yes      ☒ None reported

Material weakness(es) identified?      ☐ Yes      ☒ No

5. Type of auditor’s report issued on compliance for major federal award programs:

☒ Unmodified      ☐ Qualified      ☐ Adverse      ☐ Disclaimer

6. Any audit findings disclosed that are required to be reported by 2 CFR 200.516(a)?      ☐ Yes      ☒ No

**Nebraska State College System**  
**A Component Unit of the State of Nebraska**  
**Schedule of Findings and Questioned Costs - Continued**  
**Year Ended June 30, 2023**

7. Identification of major federal programs:

<b>Assistance Listing Number(s)</b>	<b>Name of Federal Program or Cluster</b>
	Student Financial Assistance Cluster:
84.007	Federal Supplemental Educational Opportunity Grants
84.033	Federal Work-Study Program
84.063	Federal Pell Grant Program
84.268	Federal Direct Student Loans
84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)
84.425	COVID-19 Higher Education Emergency Relief Fund (HEERF)
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Fund

8. Dollar threshold used to distinguish between Type A and Type B programs was \$750,000.

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

**Nebraska State College System**  
**A Component Unit of the State of Nebraska**  
**Schedule of Findings and Questioned Costs - Continued**  
**Year Ended June 30, 2023**

**Section II – Financial Statement Findings**

<b>Reference Number</b>	<b>Finding</b>
	The Nebraska Auditor of Public Accounts issued under separate cover the report in accordance with <i>Government Auditing Standards</i> related to the financial statements of the System. No matters were reported.

**Section III – Federal Award Findings and Questioned Costs**

<b>Reference Number</b>	<b>Finding</b>
	No matters are reportable.

**Nebraska State College System**  
**A Component Unit of the State of Nebraska**  
**Summary Schedule of Prior Audit Findings**  
**Year Ended June 30, 2023**

<b>Reference Number</b>	<b>Summary of Finding</b>	<b>Status</b>
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No matters are reportable.