

Sauk Valley Community College
January 27, 2025

Action Item 4.5

Topic: Fiscal Year 2024 Audit

College Health Metric: **Financial Stability: The College uses its revenue prudently while pursuing and utilizing alternative revenue streams. Investment in programs, personnel, processes, and infrastructure are carefully considered and supported by College Planning.**

Presented By: Dr. David Hellmich and Kent Sorenson

Presentation:

The college's fiscal year 2024 independent audit was conducted by Wipfli LLP (Wipfli). The audit engagement was supervised by Sara McKenna, Audit Senior Manager. Wipfli's audit opinion on the financial statements is unmodified, or "clean." There were no material weaknesses, significant deficiencies, or other instances of noncompliance required to be reported under *Government Auditing Standards*.

The Required Communications Letter issued by Wipfli in conjunction with the fiscal year 2024 audit offered constructive suggestions to be considered as part of the ongoing process of modifying and improving the college's practices and procedures. Wipfli recommended the College implement a related party procedure to ensure compliance with new Department of Education regulation 34 CFR 668 regarding Financial Responsibility for related party disclosures effective for all financial reports issued after July 1, 2024. Wipfli also noted a new advisory report issued by the National Association of College and University Business Officers with updated guidance for calculating the college's tuition scholarship allowance.

The college's fiscal year 2024 Single Audit, also known as the Uniform Guidance Audit or previously commonly referred to as an "A-133 audit," was completed with an unmodified auditors' report. There were no material weaknesses or significant deficiencies reported, but there was one instance of noncompliance. Item 2014-001 Special Test and Provisions – Enrollment Reporting discusses inaccurate enrollment on page 109 of the audit report. The college's corrective action plan is included in the audit report on page 111.

Recommendation:

The administration recommends the Board accept the college's fiscal year 2024 Financial Audit and Single Audit.