

MIDLANDS TECHNICAL COLLEGE

SINGLE AUDIT REPORT

FOR THE YEAR ENDED JUNE 30, 2025

MIDLANDS TECHNICAL COLLEGE
SINGLE AUDIT REPORT
FISCAL YEAR ENDED JUNE 30, 2025

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

The President and Members of the Area Commission
Midlands Technical College
Post Office Box 2408
Columbia, South Carolina 29202

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Midlands Technical College's (the "College") 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 College's major federal programs for the year ended June 30, 2025. 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.

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, 2025.

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* (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 College and to meet our 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 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 the College'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 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, *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 opinion 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, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgement 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 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 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. 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.

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

We have audited the basic financial statements of the College, as of and for the year ended June 30, 2025. We issued our report thereon dated September 24, 2025, which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. 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 basic 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 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 basic 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.

The Brittingham Group LLP

West Columbia, South Carolina

December 19, 2025

MIDLANDS TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
As of June 30, 2025

	Federal Assistance Listing Number	Grant/Contract Number	Expenditures
U.S. DEPARTMENT OF EDUCATION			
Student Financial Assistance Cluster			
Federal Supplemental Educational Opportunity Grants (SEOG)	84.007A	P007A233793	\$ 683
Federal Supplemental Educational Opportunity Grants (SEOG)	84.007A	P007A243793	<u>748,040</u>
			748,723
Federal Work-Study Program (CWS)	84.033A	P033A233793	29,411
Federal Work-Study Program (CWS)	84.033A	P033A243793	<u>374,001</u>
			403,412
Federal Pell Grant Program	84.063	P063P232480	49,417
Federal Pell Grant Program	84.063	P063P242480	<u>22,583,246</u>
			22,632,663
Federal Direct Student Loans	84.268	P268K242480	62,996
Federal Direct Student Loans	84.268	P268K252480	<u>7,668,544</u>
			7,731,540
Total Student Financial Assistance Cluster			<u>31,516,338</u>
TRIO Cluster			
TRIO-Talent Search	84.044A	P044A210278	463,192
TRIO-Student Support Services (SSS)	84.042A	P042A200194	404,403
TRIO-Educational Opportunity Center (EOC)	84.066A	P066A210075	<u>245,113</u>
Total TRIO Cluster			<u>1,112,708</u>
Skilled Trades Training Equipment	84.116Z	P116Z230168	46,476
Passed Through State Board for Technical and Comprehensive Education			
Education Stabilization Fund, ESSER, GED by 23	84.425U	H63010497523	<u>79,443</u>
Total Passed Through State Board for Technical and Comprehensive Education			<u>79,443</u>
Passed Through S.C. Department of Education			
Career and Technical Education, Perkins	84.048A	H63010107125	611,853
Career and Technical Education, Perkins	84.048A	H63010107124	<u>141,807</u>
Total Passed Through S.C. Department of Education			<u>753,660</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>33,508,625</u>

MIDLANDS TECHNICAL COLLEGE
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
As of June 30, 2025

	Federal Assistance Listing Number	Grant/Contract Number	Expenditures
U.S. DEPARTMENT OF LABOR			
Passed Through State Board for Technical and Comprehensive Education			
Apprenticeship USA Grants; State Apprenticeship Expansion Formula (SAEF) Competitive	17.285		399,735
Apprenticeship USA Grants; State Apprenticeship Expansion, Equity & Innovation (SAEEI)	17.285		344,735
Apprenticeship USA Grants, State Apprenticeship Expansion Formula (SAEF)	17.285		321,903
Total Passed Through State Board for Technical and Comprehensive Education			1,066,373
TOTAL U.S. DEPARTMENT OF LABOR			1,066,373
NATIONAL SCIENCE FOUNDATION			
Passed Through The University of South Carolina			
STEM Education; NOYCE Grant	47.076	22-4878	8,846
Total Passed Through The University of South Carolina			8,846
TOTAL NATIONAL SCIENCE FOUNDATION			8,846
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through South Carolina First Steps			
Childcare and Development Block Grant, TEACH Bins	93.575		3,536
Total Passed Through South Carolina First Steps			3,536
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			3,536
TOTAL FEDERAL ASSISTANCE			\$ 34,587,380

MIDLANDS TECHNCIAL COLLEGE

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

JUNE 30, 2025

1. Description

Midlands Technical College has adopted *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 were adopted to fulfill the financial and compliance audit requirements of federal grantor agencies. For purposes of implementing Uniform Guidance, federal grant awards were susceptible to audit and are included in the Schedule of Expenditures of Federal Awards.

2. Summary of Significant Accounting Principles

Basis of Presentation

The financial activity shown in the Schedule of Expenditures of Federal Awards reflects amounts recorded by the College on the accrual basis, during its fiscal year July 1, 2024 through June 30, 2025.

3. Loan Programs

The College has students who have approved Federal Direct Loans. Those loans were disbursed to the students during the current fiscal year. The College is not the lender. The College only processes the loans for the lender, the Department of Education. The total Federal Direct Loans for the current fiscal year were \$7,731,540.

4. Indirect Cost

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

MIDLANDS TECHNICAL COLLEGE

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

JUNE 30, 2025

Summary of Auditors' Results:

1. The auditors' report expresses an unmodified opinion on the basic financial statements of Midlands Technical College.
2. No material weaknesses or significant deficiencies relating to the financial statements are reported in the 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*.
3. No instances of noncompliance material to the financial statements of Midlands Technical College were disclosed during the audit.
4. No material weaknesses or significant deficiencies relating to the audit of major federal awards is reported in the Independent Auditors' Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.
5. The auditors' report on compliance for the major federal award programs for Midlands Technical College expresses an unmodified opinion.
6. No audit findings were reported relative to the major federal award programs for Midlands Technical College as depicted below in this schedule.
7. Major federal programs:
Student Financial Aid Cluster:

Federal Supplemental Educational Opportunity Grants	ALA #84.007
Federal Work-Study Program	ALA #84.033
Federal Pell Grant Program	ALA #84.063
Federal Direct Student Loans	ALA #84.268
8. The threshold for distinguishing between Type A and Type B Programs was \$1,037,621.
9. Midlands Technical College qualified as a low risk auditee.

MIDLANDS TECHNICAL COLLEGE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(CONTINUED)

Financial Statement Findings:

None

Federal Awards Findings and Questioned Costs:

No findings or questioned costs.

Status of Prior Year Findings:

None were reported.