



**STATE TECHNICAL COLLEGE
OF MISSOURI
(A Component Unit of the State of Missouri)**

**INDEPENDENT AUDITOR'S REPORTS
PURSUANT TO THE UNIFORM GUIDANCE**

For the Year Ended June 30, 2025

The background of the page features a large, abstract graphic. The top half is a solid teal color with a subtle diagonal texture. Below this is a large, semi-transparent white area containing a complex, geometric pattern of overlapping triangles and lines, creating a sense of depth and perspective. The bottom half of the background is a dark, grayscale abstract pattern of vertical and horizontal lines, giving it a digital or architectural feel.

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM, REPORT ON INTERNAL CONTROL
OVER COMPLIANCE, AND REPORT ON SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Regents
State Technical College of Missouri
Linn, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited State Technical College of Missouri'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 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 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 report 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 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 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 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.

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

We have audited financial statements of the business-type activities and the discretely presented component unit of the College, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the College's basic financial statements. We have issued our report thereon dated December 15, 2025, which contained an unmodified opinion on those financial statements. Our audit was conducted 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 those 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 basic 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.

Sikich CPA LLC

St. Louis, Missouri
December 15, 2025

STATE TECHNICAL COLLEGE OF MISSOURI
(A Component Unit of the State of Missouri)

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2025

Federal Grantor/Program or Cluster Title	Assistance Listing Number	Pass-Through Grantors Number	Federal Expenditures
U.S. Department of Education:			
Student Financial Assistance Cluster:			
Federal Direct Student Loans	84.268	P268K252540	* <u>5,061,871</u>
Federal Pell Grant Program	84.063	P063P242540	* <u>5,612,960</u>
Federal Pell Grant Program	84.063	P063Q242540	* <u>6,847</u>
			<u>5,619,807</u>
Federal Supplemental Educational Opportunity Grants	84.007	P007A242338	* <u>64,950</u>
Federal Work-Study Program	84.033	P033A242338	* <u>48,882</u>
			<u>10,795,510</u>
			Total Student Financial Assistance Cluster
Passed through Missouri Department of Elementary and Secondary Education			
Career and Technical Education - Basic Grants to States	84.048	508-313	<u>313,029</u>
			Total U.S. Department of Education
			<u>11,108,539</u>
U.S. Department of Treasury:			
Passed through Missouri Department of Higher Education			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	<u>12,662,934</u>
			Total U.S. Department of Treasury
			<u>12,662,934</u>
U.S. Department of Energy:			
Passed through University of Missouri System			
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	81.117	NC00075062-2/A	<u>8,928</u>
			Total U.S. Department of Energy
			<u>8,928</u>
U.S. General Service Administration:			
Passed through Missouri State Agency for Surplus Property			
Donation of Federal Surplus Personal Property	39.003	N/A	<u>573</u>
			Total U.S. General Service Administration
			<u>573</u>
U.S. Department of Transportation:			
Passed through Missouri Department of Transportation			
Highway Planning and Construction	20.205	TAP-9901(550)	<u>48,140</u>
Airport Improvement Program	20.106	24-044A-1	175,420
Airport Improvement Program	20.106	23-044A-1	41,111
			<u>216,531</u>
			Total U.S. Department of Transportation
			<u>264,671</u>
			TOTAL EXPENDITURES OF FEDERAL AWARDS
			<u>\$ 24,045,645</u>

*Denotes Federal Major Programs

STATE TECHNICAL COLLEGE OF MISSOURI
(A Component Unit of the State of Missouri)

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2025

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the State Technical College of Missouri (the College) for the year ended June 30, 2025 and is presented on the accrual basis of accounting. 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). The Schedule presents only expenditures of federally funded programs of the College. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements and is not intended to and does not present the financial position or changes in financial position of the College.

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 wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. DE MINIMIS RATE

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

4. FEDERAL LOAN PROGRAM

For the year ended June 30, 2025, the College acted as a pass-through agency for Federal Direct Stafford Loans to students in the amount of \$5,061,871.

5. OTHER INFORMATION

The College received no non-cash assistance or federal insurance, and the College did not provide any funds to subrecipients.

**STATE TECHNICAL COLLEGE OF MISSOURI
(A Component Unit of the State of Missouri)**

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2025

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified		
Internal control over financial reporting:			
• Material weakness(es) identified?	_____	yes	<input checked="" type="checkbox"/> X no
• Significant deficiency(ies) identified?	_____	yes	<input checked="" type="checkbox"/> X none reported
Noncompliance material to financial statements noted?	_____	yes	<input checked="" type="checkbox"/> X no

Federal Awards

Internal control over major federal programs:			
• Material weakness(es) identified?	_____	yes	<input checked="" type="checkbox"/> X no
• Significant deficiency(ies) identified?	_____	yes	<input checked="" type="checkbox"/> X none reported
Type of auditor's report issued on compliance for all major federal programs:	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance	_____	yes	<input checked="" type="checkbox"/> X no

Identification of major federal programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program</u>
<u>Student Financial Aid Cluster:</u>	
84.007	Federal Supplemental Educational Opportunity Grants
84.033	Federal Work Study Program
84.063	Federal Pell Grant Program
84.268	Federal Direct Loan Program

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

Auditee qualified as low-risk auditee? X yes no

STATE TECHNICAL COLLEGE OF MISSOURI
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the Year Ended June 30, 2025

Section II - Financial Statement Findings

None noted.

Section III - Federal Award Findings and Questioned Costs

None noted

Section IV - Prior Year Financial Statement and Federal Award Findings

**2024-001: Incorrect Pell Disbursement Amount - Student Financial Aid Cluster Assistance
Listing Number 84.007, 84.033, 84.063, 84.268, Grant Period - Year Ended June 30, 2024**

Criteria: According to 34 CFR 690.63 students may qualify for a maximum Pell Grant award of \$7,395 for an award year. The maximum amount is awarded to students with a zero Expected Family Contribution (EFC) and full-time enrollment status. Students with less than full-time enrollment or more than a zero EFC are eligible for a reduced Pell award.

Condition: During our student file testing we noted two students out of forty were not disbursed the correct Pell Grant award. Based on the student's enrollment status and need, the College under awarded the students by \$716. We consider this to be an instance of noncompliance relating to the Eligibility Compliance Requirement.

Sample Description	Sample				Population from which the Sample was Drawn	
	Related Compliance Requirement	OPEID	Students Receiving Pell (#)	Pell Disbursed (\$)	Students Receiving Pell (#)	Pell Disbursed (\$)
Eligibility Sample	Eligibility	00471100	33	\$ 170,951	803	\$ 4,089,649

Finding Number	Related Compliance Audit Requirement	Student Identifier	OPEID	Pell Disbursed (\$)	Pell Over-payment (\$)	Pell Under-payment (\$)
2024-001	Eligibility	3	00471100	\$ 4,765	\$ -	\$ 680
2024-001	Eligibility	14	00471100	\$ 3,400	\$ -	\$ 36

Statistical sampling was not used when making sample selections.

Questioned Costs: \$0

**STATE TECHNICAL COLLEGE OF MISSOURI
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the Year Ended June 30, 2025

Section IV - Prior Year Financial Statement and Federal Award Findings (Continued)

**2024-001: Incorrect Pell Disbursement Amount - Student Financial Aid Cluster Assistance
Listing Number 84.007, 84.033, 84.063, 84.268, Grant Period - Year Ended June 30,
2024 (Continued)**

Effect: Two students received an incorrect amount of Pell award and were under awarded an amount of \$716.

Cause: The College's internal controls did not identify that the incorrect amount of Pell grant was awarded to the students. According to the Department of Education's Pell matrix chart, the students were under awarded Pell in the amount of \$716.

Recommendation: We recommend the College closely monitor all student's enrollment status to ensure all students receive financial aid are disbursed the correct amount.

Views of Responsible Officials: Management agrees with this finding and response is included in Corrective Action Plan.

Status: The finding was not repeated for the year ended June 30, 2025.

**2024-002: Enrollment Reporting - Student Financial Aid Cluster -Assistance
Listing Number 84.007, 84.033, 84.063, and 84.268 - Year Ended June 30, 2024**

Criteria: According to 34 CFR 685.309 (b), schools must update enrollment data for students and report to the Secretary in a manner of prescribed format within the required timeframe of sixty days after a student has graduated, ceased attendance or enrolled less than half-time.

Condition: During our Enrollment Status Changes testing, we selected forty students for our sample. In our sample of forty we tested twenty graduated students to verify that they were reported within sixty days and we tested twenty current students to note that their student status is reported correctly. We noted one student was not reported within the required sixty days. We consider this finding to be an instance of noncompliance relating to the Reporting Compliance Requirement.

Statistical sampling was not used in making sample selections.

Questioned Costs: \$0

Effect: The College did not report one student's change in enrollment within the sixty-day requirement.

**STATE TECHNICAL COLLEGE OF MISSOURI
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SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

For the Year Ended June 30, 2025

Section IV - Prior Year Financial Statement and Federal Award Findings (Continued)

2024-002: Enrollment Reporting - Student Financial Aid Cluster -Assistance

**Listing Number 84.007, 84.033, 84.063, and 84.268 - Year Ended June 30, 2024
(Continued)**

Cause: The College's internal controls did not identify that the student's enrollment submission was past the required sixty-day requirement.

Recommendation: We recommend the College continue to work with the department responsible for the enrollment status submissions to ensure that accurate reporting continues to assure compliance within the required reporting guidelines.

Views of Responsible Officials: Management agrees with this finding and response is included in Corrective Action Plan.

Status: The finding was not repeated for the year ended June 30, 2025.