

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY



February 19, 2021

Joey Hatch, Board Chair
Nashville State Community College Foundation
120 White Bridge Road
Nashville, TN 37209

Dear Mr. Hatch:

Please find attached the monitoring report of Nashville State Community College Foundation relating to the contract it had with the Metropolitan Government of Nashville and Davidson County for the fiscal year ending June 30, 2020.

The Office of Financial Accountability is charged with the responsibility of monitoring grant funds, including Community Partnership Funds, from Metropolitan Nashville Government to any nonprofit organization. Staff from the Office of Financial Accountability conducted the review on September 29, 2020.

We appreciate the assistance provided by your agency during the course of the review. If you have any questions, please call me at 615-862-6712.

Sincerely,

Kevin Brown

Kevin Brown, CMFO, CICA, CFE
Director, Office of Financial Accountability

cc: Lauren Bell, CEO, Nashville State Community College Foundation
Michelle Joyner, Nashville State Community College Foundation
Kevin Crumbo, Director, Department of Finance
Renee Pratt, Metro Social Services
Lee Stewart, Metro Social Services

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Metropolitan Government of Nashville and Davidson County

NASHVILLE STATE COMMUNITY COLLEGE FOUNDATION

◆ **Monitoring Report** ◆

Conducted by



Office of Financial Accountability

February 19, 2021

MONITORING REPORT

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INTRODUCTION

The Office of Financial Accountability (hereinafter referred to as “OFA”) has completed a monitoring review of Nashville State Community College Foundation. A monitoring review is substantially less in scope than an audit. The OFA did not audit the financial statements and, accordingly, does not express an opinion or any assurances regarding the financial statements of Nashville State Community College Foundation or any of its component units. The OFA is responsible for the internal monitoring of Metropolitan Government of Nashville and Davidson County (hereinafter referred to as “Metro”) agencies that receive federal and state financial assistance, including cooperative agreements and non-profit organizations that receive appropriations and Community Partnership Funds from Metro government. In summary, any agreement(s) that imposes performance and/or financial requirements on Metro government is subject to review by the OFA.

The purpose of this review was to assess the agency’s compliance with contractual requirements set forth in the following contract with Metro Government:

Contract	Type	Amount	Contract Term	
L-4320	Community Partnership Funds	\$37,000	July 1, 2019	June 30, 2020

Agency Background

The Nashville State Community College Foundation was established in 1994 as a nonprofit, tax-exempt organization and operates for the sole benefit and support of Nashville State Community College and its students. Through support of alumni, community friends, corporations, and private foundations, the Foundation works to expand access to higher education and further regional workforce development. By raising funds for scholarships, program and infrastructure improvements, and grants for faculty and staff that enhance student learning opportunities, the Foundation strives to ensure that resources are available to meet the needs of both students and our rapidly growing local economy.

OBJECTIVES, SCOPE AND METHODOLOGY

The objectives of our review were:

- 1) To determine whether the agency had the resources and capacity to administer the grant funds.
- 2) To determine if costs and services were allowable and eligible.
- 3) To verify that program objectives were met.
- 4) To test the reliability of the financial and programmatic reporting.
- 5) To verify contractual compliance.

The scope of our review was limited to the contract term July 1, 2019 through June 30, 2020.

The monitoring review procedures included meeting with agency management and staff, reviewing board minutes and obtaining written representations from management. In addition, we examined certain financial records and supporting documentation necessary to ensure compliance with contractual requirements set forth in contract L-4320. Specific procedures included:

- Interviewing the employees responsible for grant management, financial reporting and accountability.
- Reviewing supporting documentation of expenditures for allowability, necessity and reasonableness.
- Reviewing the agency's general ledger and verifying the accuracy of all invoices submitted to Metro.
- Reviewing documentation to determine that funds were used for intended beneficiaries and expended in accordance with the spending plan of the contract.
- Reviewing documentation to support program activities for consistency with grant requirements.
- Assessing the financial stability of the agency and its ability to continue to administer the grant program funded by Metro.

RESULTS OF REVIEW

SUMMARY OF RESULTS

Criteria	Yes	No
Sufficient Resources and Capacity to Administer Funds?	✓	
Costs and Services Allowable and Eligible?	✓	
Program Objectives Met?	✓	
Reporting Requirements Met?	✓	
Compliance with Civil Rights Requirements?	✓	

RESULTS OF REVIEW

The overall results of the monitoring review are provided in this section. Results are based on testwork performed and include conclusions regarding specific review objectives and, if applicable, recommendations for improvement and an action plan for implementation. Where applicable, the Findings and Recommendations section of this report provides more insight into any issues identified below.

1. Sufficient Resources and Capacity to Administer Grant Funds

Our review of the agency's accounting system and the qualifications of the individuals assigned to manage the accounting records indicate that the agency possesses the necessary resources and professional expertise to effectively administer the grant funds.

2. Allowable and Eligible Costs and Services

Our review covered the core compliance areas identified by 2 CFR Part 200: *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Additionally, the Metro Grants Manual requires separate accounting of the Metropolitan Nashville Government grant funds to prevent co-mingling of Metro Funds with other sources of funding. The agency was in compliance with this requirement. Different revenue classes as well as expenditure classes have been established to separately track the sources and amounts of funding. Also, the agency can easily and accurately report their expenses supported by the Metro grant.

Based on our test work, costs and services during the period were allowable and eligible.

3. Program and Performance Objectives

The contract stipulates that the agency shall use the funds to achieve the following outcomes:

RESULTS OF REVIEW

The NSCC Foundation will serve Nashville State Community College students from Davidson County through our Beyond Financial Aid Initiative. Specifically, these grant funds will serve students who:

- 1) are enrolled at least half time (six credit hours per semester),
- 2) have at least one child, and
- 3) live at or below 80% of the area median income.

Through referrals to and from Financial Empowerment Center counselors, NSCC Foundation will provide financial assistance to at least thirty-seven (37) currently enrolled Nashville State Students. The support provided will be in the form of transportation assistance, childcare assistance, and relief from student debt, in such cases when the debt would prevent a student from enrolling or re-enrolling in coursework. Up to \$1,000 per student will be provided in support services through this grant, and student whose needs exceeds the \$1,000 maximum specified in the terms of this grant will be met using additional funds that the NSCC Foundation already has on-hand and allocated toward the Beyond Financial Aid Initiative. Some students may not need the full \$1,000 in assistance; in this case, more than thirty-seven individuals will be served by these grant funds.

Based on our review of program documentation and discussions with staff, program performances were met, and the agency was in compliance with contractual program objectives.

4. Reliability of Financial and Programmatic Reporting

The contract requires submission of an annual audit report performed by a Certified Public Accountant. The contract also requires the agency to submit to Metro year end reports of the program outcomes and a final expenditures report, no more than 45 days after the close of the contract.

We reviewed all applicable financial and programmatic reports required by the contract, including audited financial statements. Based on our review, the agency complied with all financial and programmatic reporting requirements.

RESULTS OF REVIEW

5. Civil Rights Requirements

Our review did not reveal anything to indicate that the agency was noncompliant with civil rights requirements. The agency also has necessary written policies and procedures relating to civil rights. The agency has not received any complaints regarding any form of discrimination. Further, civil rights and ADA postings are publicly displayed.