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**FINANCIAL STATEMENTS OF SELECTED FUNDS
OF THE
STATE OF MISSISSIPPI
COMMUNITY COLLEGE BOARD**

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020



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**STATE OF MISSISSIPPI COMMUNITY COLLEGE BOARD
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YEAR ENDED JUNE 30, 2020**

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INDEPENDENT AUDITORS' REPORT

Dr. Andrea S. Mayfield
Executive Director
State of Mississippi Community College Board
Jackson, Mississippi

We have audited the accompanying financial statements of the selected funds 2229100000, 2229800000, 3329100000, 3329200000, 3329500000, 3329700000, and 3329800000 of the State of Mississippi Community College Board (MCCB), as of and for the year ended June 30, 2020, and the related notes to the financial statements. These financial statements will be consolidated into the State of Mississippi's Comprehensive Annual Financial Report (CAFR).

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of funds 2229100000, 2229800000, 3329100000, 3329200000, 3329500000, 3329700000, and 3329800000 of MCCB as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

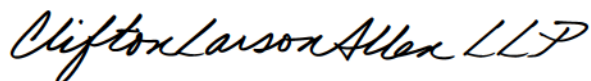
As discussed in Note 1, the financial statements of funds 2229100000, 2229800000, 3329100000, 3329200000, 3329500000, 3329700000 and 3329800000 of MCCB present only the financial position and changes in financial position of that portion of the governmental activities of the selected funds of MCCB and the State of Mississippi that is attributable to the transactions of 2229100000, 2229800000, 3329100000, 3329200000, 3329500000, 3329700000 and 3329800000. They do not purport to, and do not, present fairly the financial position of MCCB or the state of Mississippi as of June 30, 2020, or the changes in financial position of each entity for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Matter

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinions on the financial statements are not affected by the missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2021, on our consideration of MCCB's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of MCCB's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering MCCB's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Baltimore, Maryland
January 14, 2021

**STATE OF MISSISSIPPI
COMMUNITY COLLEGE BOARD
SELECTED FUNDS
BALANCE SHEETS
JUNE 30, 2020**

	Fund 2229100000	Fund 2229800000	Fund 3329100000	Fund 3329200000	Fund 3329500000	Fund 3329700000	Fund 3329800000	Total
ASSETS								
Equity in State Treasury Funds	\$ 168,740	\$ 1,000	\$ 13,081,168	\$ 23,699	\$ 214,936	\$ 220,853	\$ 9,691,410	\$ 23,401,806
Accounts Receivable	-	-	30,020	-	-	-	-	30,020
Due from Other State Funds	-	-	19,452	-	-	-	181,749	201,201
Total Assets	<u>\$ 168,740</u>	<u>\$ 1,000</u>	<u>\$ 13,130,640</u>	<u>\$ 23,699</u>	<u>\$ 214,936</u>	<u>\$ 220,853</u>	<u>\$ 9,873,159</u>	<u>\$ 23,633,027</u>
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts Payable	\$ 7,306	\$ -	\$ 11,654	\$ -	\$ -	\$ 120	\$ 1,919	\$ 20,999
Due to Other Governments	-	-	-	-	-	-	4,228,978	4,228,978
Due to Other State Funds	-	-	-	-	-	-	182,596	182,596
Total Liabilities	<u>7,306</u>	<u>-</u>	<u>11,654</u>	<u>-</u>	<u>-</u>	<u>120</u>	<u>4,413,493</u>	<u>4,432,573</u>
FUND BALANCES								
Restricted for Education	-	-	13,118,986	-	-	220,733	5,459,666	18,799,385
Committed for Education	<u>161,434</u>	<u>1,000</u>	<u>-</u>	<u>23,699</u>	<u>214,936</u>	<u>-</u>	<u>-</u>	<u>401,069</u>
Total Liabilities and Fund Balances	<u>\$ 168,740</u>	<u>\$ 1,000</u>	<u>\$ 13,130,640</u>	<u>\$ 23,699</u>	<u>\$ 214,936</u>	<u>\$ 220,853</u>	<u>\$ 9,873,159</u>	<u>\$ 23,633,027</u>

See accompanying Notes to Financial Statements.

**STATE OF MISSISSIPPI
COMMUNITY COLLEGE BOARD
SELECTED FUNDS
STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 2020**

	Fund 2229100000	Fund 2229800000	Fund 3329100000	Fund 3329200000	Fund 3329500000	Fund 3329700000	Fund 3329800000	Total
REVENUES								
Licenses, Fees, and Permits	\$ -	\$ -	\$ 689,661	\$ -	\$ -	\$ 200,036	\$ 1,174	\$ 890,871
Other Income	-	-	44,181	-	-	-	51,242	95,423
Total Revenues	-	-	733,842	-	-	200,036	52,416	986,294
EXPENDITURES								
Subsidies	3,400,744	189,221,316	28,976,162	189,180	513,677	-	19,723,366	242,024,445
Salaries and Benefits	2,326,162	-	1,507,580	-	-	13,835	-	3,847,577
Travel	79,284	-	31,217	-	-	4,980	-	115,481
Contractual Services	240,657	-	2,433,442	-	-	6,622	-	2,680,721
Commodities	26,622	-	69,163	-	-	1,018	-	96,803
Capital Outlay	1,400	-	70,463	-	-	-	-	71,863
Total Expenditures	6,074,869	189,221,316	33,088,027	189,180	513,677	26,455	19,723,366	248,836,890
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(6,074,869)	(189,221,316)	(32,354,185)	(189,180)	(513,677)	173,581	(19,670,950)	(247,850,596)
OTHER FINANCING SOURCES (USES)								
Indirect Cost	-	-	78,187	-	-	-	-	78,187
Transfers In	6,145,148	191,867,230	31,936,812	189,180	300,011	11	20,087,928	250,526,320
Transfers (Out)	(212,212)	(2,944,925)	(5,004)	-	-	(11)	(485,967)	(3,648,119)
Total Financing Sources (Uses)	5,932,936	188,922,305	32,009,995	189,180	300,011	-	19,601,961	246,956,388
Total Expenditures and Financing Sources (Uses)	(141,933)	(299,011)	(344,190)	-	(213,666)	173,581	(68,989)	(894,208)
NET CHANGE IN FUND BALANCES	(141,933)	(299,011)	(344,190)	-	(213,666)	173,581	(68,989)	(894,208)
Fund Balances - Beginning of Year	303,367	300,011	13,463,176	23,699	428,602	47,152	5,528,655	20,094,662
FUND BALANCES - END OF YEAR	\$ 161,434	\$ 1,000	\$ 13,118,986	\$ 23,699	\$ 214,936	\$ 220,733	\$ 5,459,666	\$ 19,200,454

See accompanying Notes to Financial Statements.

**STATE OF MISSISSIPPI
COMMUNITY COLLEGE BOARD
SELECTED FUNDS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Background Information

Mississippi Community College Board (MCCB), an agency of the state of Mississippi, follows fund accounting pursuant to applicable state statutes. These funds represent funds selected for audit by the state of Mississippi, Office of the State Auditor, and the accompanying presentation does not purport to present the financial position and changes in financial position of MCCB.

Financial Reporting Entity

MCCB is a state agency in the State of Mississippi's Comprehensive Annual Financial Report. The selected governmental funds presented in these financial statements are part of the larger entity that in whole comprises the financial reporting entity of the Mississippi Community College Board.

Purpose of Funds 2229100000, 2229800000, 3329100000, 3329200000, 3329500000, 3329700000, and 3329800000

Fund 2229100000 – MCCB Administrative Office Fund receives appropriations by law of the State Legislature for the purpose of defraying the administrative expenses of MCCB.

Fund 2229800000 – Community and Junior College (CJC) Support Fund receives appropriations by law of the State Legislature for the aid and support of the public community and junior colleges.

Fund 3329100000 – MCCB Board Community and Junior College Special Funds is a special fund that receives and disburses federal funds for approved projects at local community and junior colleges.

Fund 3329200000 – MCCB Workforce Carryover Fund is a special fund into which shall be deposited any funds which were appropriated by the State Legislature to the Workforce Program which said funds were allocated but unexpended.

Fund 3329500000 – CJC Health & Life Carryover Fund is a special fund into which shall be deposited any funds which were appropriated by the State Legislature to fund life and health insurance for all employees of the public community and junior colleges which said funds were allocated but unexpended.

Fund 3329700000 – MCCB Proprietary School and College Registration Fund is a special fund that receives license, fee and permit revenue from external entities to defray the costs of regulation and administration of the Mississippi Proprietary School and College Registration Law.

Fund 3329800000 – MCCB Workforce Enhancement Training (WET) Fund is a special fund that receives license, fee, and permit revenue as well as contributions of unemployment compensation contributions to provide training at no charge to employers and employees in order to enhance employee productivity.

**STATE OF MISSISSIPPI
COMMUNITY COLLEGE BOARD
SELECTED FUNDS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

The accompanying fund financial statements have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) in the United States of America, as prescribed by the Governmental Accounting Standards Board (GASB).

Cash and Cash Equivalents

Cash and cash equivalents are defined as demand deposit accounts and equity in State Treasury Funds. Equity in State Treasury Funds consists of pooled cash held by the Treasurer of the state of Mississippi.

Accounts Receivable

Accounts receivable consist of amounts due from the federal or state government in which the revenue is earned but not received by June 30, 2020. Accounts receivables is reported net of allowances for uncollectible accounts, where applicable. The Board deemed all accounts receivable fully collectible and did not record an allowance as of June 30, 2020.

Account Classifications

The account classifications used in the financial statements conform to the board classifications recommended in Governmental Accounting, Auditing and Financial Reporting, as issued by the Government Finance Officers Association.

Fund Accounting

The financial activities of the funds audited are recorded in individual funds used to report financial position and changes in financial position. Fund accounting demonstrates the legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts, segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions or limitations.

Basis of Accounting/Measurement Focus

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Revenues are considered to be available when they are both measurable and available to finance expenditures of the current period. Management considers revenue to be available if collected within 60 days. Expenditures are recorded when a liability is incurred.

Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires MCCB to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and other changes in fund balances during the period. Actual results could differ from those estimates.

**STATE OF MISSISSIPPI
COMMUNITY COLLEGE BOARD
SELECTED FUNDS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

Grant revenue is recognized when the related and allowable liability is paid. Other revenues in the funds are generally recognized when the revenue is received or appropriated by the State of Mississippi Legislature.

Interfund Transfers

Interfund transfers received from other funds are reported as Other Financing Sources rather than revenue, and interfund transfers sent to other funds are recorded as Other Financing Uses. In the selected governmental funds financial statements, transactions for services rendered by one fund to another are treated as revenues of the recipient fund and expenditures of the disbursing fund.

As of June 30, 2020, Fund transfers consisted of:

Fund 2229100000

<u>Description</u>	<u>Transfers In</u>
Department Finance and Administration - Adjust Cash	\$ 6,145,148
<u>Transfers Out</u>	
Other State Agency - Department of Corrections	\$ 23,034
Department Finance and Administration - Adjust Cash	189,178
Total	<u>\$ 212,212</u>

Fund 2229800000

<u>Description:</u>	<u>Transfers In</u>
Department Finance and Administration - Adjust Cash	<u>\$ 191,867,230</u>
<u>Transfers Out</u>	
Other Agency Funds - 3329100000	\$ 2,644,914
Other Agency Funds - 3329500000	300,011
Total	<u>\$ 2,944,925</u>

Fund 3329100000

<u>Description:</u>	<u>Transfers In</u>
Other Agency Funds - 2229800000	\$ 2,644,914
Other State Agency - Office of Tech and Statagic Services	28,319,923
Other State Agency - Employment Security - Business Mgmt	934,434
Department Finance and Administration - Adjust Cash	37,541
Total	<u>\$ 31,936,812</u>
<u>Transfers Out</u>	
Department Finance and Administration - Adjust Cash	<u>\$ 5,004</u>

**STATE OF MISSISSIPPI
COMMUNITY COLLEGE BOARD
SELECTED FUNDS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Transfers

Fund 3329200000	
<u>Description:</u>	<u>Transfers In</u>
Other State Governments	
Mississippi Gulf Coast Community College	<u>\$ 189,180</u>
Fund 3329500000	
<u>Description:</u>	<u>Transfers In</u>
Other Agency Funds - 2229800000	<u>\$ 300,011</u>
Fund 3329700000	
<u>Description:</u>	<u>Transfers In</u>
Department Finance and Administration - Adjust Cash	<u>\$ 11</u>
	<u>Transfers Out</u>
Department Finance and Administration - Adjust Cash	<u>\$ 11</u>
Fund 3329800000	
<u>Description:</u>	<u>Transfers In</u>
Other State Funds	
Mississippi Department of Employment Security	<u>\$ 20,087,928</u>
	<u>Transfers Out</u>
Other State Funds	
Mississippi Department of Employment Security	<u>\$ 485,967</u>

Fund Balances – Governmental Funds

MCCB presents defined fund balance categories to demonstrate the nature and extent of the constraint placed on the selected funds' fund balances. The classifications used in the selected governmental funds financial statements are based on the following methodology:

Nonspendable – This classification includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – This classification includes amounts that may only be spent for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

Committed – This classification includes amounts that can be used only for the specific purposes determined by enabling legislations by the State Legislature.

Assigned – This classification includes amounts where constraints are imposed on the use of resources through the intent of the State Legislature or by its delegation to each agency director.

**STATE OF MISSISSIPPI
COMMUNITY COLLEGE BOARD
SELECTED FUNDS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances – Governmental Funds (Continued)

Unassigned – The residual classification for the general fund and includes all amounts not contained in the other classifications. The unassigned classification is also used to report a deficit balance resulting from overspending for specific purposes for which amount had been restricted, committed or assigned.

MCCB considers restricted amounts to have been spent when the expenditure is incurred for purposes determined for which both restricted and unrestricted fund balances are available.

NOTE 2 CASH AND OTHER DEPOSITS

Custodial risk is the risk that in the event of bank failure, a government's deposits may not be returned. MCCBs' deposit policy for protection of custodial risk is handled under a statewide collateral program. The collateral for public entities' deposits in financial institutions is held by the depository bank in the name of the State Treasurer under a program established by the State of Mississippi Legislature and is governed by Section 27-105-5, Miss. Code Ann. (1972). Under this program, the entities' funds are protected through a collateral pool administered by the State Treasurer. Financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation.

**STATE OF MISSISSIPPI
COMMUNITY COLLEGE BOARD
SELECTED FUNDS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 3 DUE FROM AND DUE TO OTHER GOVERNMENTS

At June 30, 2020, due from and due to other governments balances consisted of:

Fund 3329100000	Due From
Other State Funds	
Mississippi Department of Education-OTSS	<u>\$ 19,452</u>
Fund 3329800000	Due From
Other State Funds	
Mississippi Department of Employment Security	<u>\$ 181,749</u>
	Due To
Other State Governments	
Coahoma Community College	\$ 133,846
Copiah Lincoln Community College	78,252
East Central Community College	86,583
East Mississippi Community College	157,431
Hinds Community College	1,096,352
Holmes Community College	444,066
Itawamba Community College	330,280
Jones County Community College	559,668
Meridian Community College	179,890
Mississippi Delta Community College	143,008
Mississippi Gulf Coast Community College	542,883
Northeast Mississippi Community College	203,318
Northwest Mississippi Community College	134,762
Pearl River Community College	73,968
Southwest Mississippi Community College	64,671
Total	<u>\$ 4,228,978</u>
Other State Funds	
Mississippi Department of Employment Security	<u>\$ 182,596</u>

All amounts due to MCCB are expected to be collected in fiscal year 2021.

**STATE OF MISSISSIPPI
COMMUNITY COLLEGE BOARD
SELECTED FUNDS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 4 CONTINGENCIES AND COMMITMENTS

Federal Grants

MCCB receives federal grants for specific purposes that are subject to audit by the grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of the grant agreement and applicable federal regulations, including the expenditures of resources for allowable purposes. Any disallowance of program uses of funds may be a liability of MCCB's.

Litigation

MCCB is party to various legal proceedings that arise in the normal course of governmental operations. If an unfavorable outcome of the litigation is determined to be likely and probable, MCCB will record a liability to reflect the estimated outcome of the litigation.

NOTE 5 RETIREMENT PLAN

MCCB contributes to the Public Employees' Retirement System of Mississippi (PERS), a cost-sharing multiemployer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state law and may be amended only by the State of Mississippi Legislature. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to Public Employees' Retirement System, PERS Building, 429 Mississippi Street, Jackson, Mississippi 39201-1005 or by calling (601) 359-3589 or 1-800-444-PERS.

PERS members are required to contribute 9.00% of their annual covered salary and the Agency is required to contribute at an actuarially determined rate. The current rate is 17.40% of annual covered payroll. The contribution requirements of PERS members are established and may be amended only by the State of Mississippi Legislature. MCCB retirement contribution, as of June 30, 2020 for funds selected for audit, was \$513,307.



**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***

Dr. Andrea S. Mayfield
Executive Director
State of Mississippi Community College Board
Jackson, Mississippi

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the selected funds 2229100000, 2229800000, 3329100000, 3329200000, 3329500000, 3329700000, and 3329800000 of the Mississippi Community College Board (MCCB) as of and for the year ended June 30, 2020 and the related notes to the financial statements and have issued our report thereon dated January 14, 2021, which contained an unmodified opinion with an Other Matter paragraph regarding the omission of management's discussion and analysis. These financial statements will be consolidated into the State of Mississippi's Comprehensive Annual Financial Report (CAFR).

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements of the selected funds 2229100000, 2229800000, 3329100000, 3329200000, 3329500000, 3329700000, and 3329800000, we considered MCCB's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the selected funds 2229100000, 2229800000, 3329100000, 3329200000, 3329500000, 3329700000, and 3329800000, but not for the purpose of expressing an opinion on the effectiveness of MCCB's internal control. Accordingly, we do not express an opinion on the effectiveness of MCCB's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance.

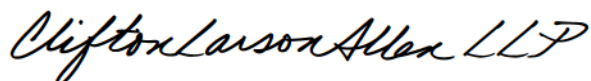
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether MCCB's funds 2229100000, 2229800000, 3329100000, 3329200000, 3329500000, 3329700000, and 3329800000 are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of MCCB's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering MCCB's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Baltimore, Maryland
January 14, 2021