
Hope College

Federal Awards Supplemental Information
June 30, 2023

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

Independent Auditor's Report

To the Board of Trustees
Hope College

We have audited the financial statements of Hope College as of and for the year ended June 30, 2023 and have issued our report thereon dated October 26, 2023, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. We have not performed any procedures with respect to the audited financial statements subsequent to October 26, 2023.

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by the Uniform Guidance and is not a required part of the 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Plante & Moran, PLLC

February 26, 2024

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*

Independent Auditor's Report

To Management and the Board of Trustees
Hope College

We have audited, 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, the financial statements of Hope College (the "College"), which comprise the statement of financial position as of June 30, 2023 and the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated October 26, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College'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 College'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. 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 or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements 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 financial statements. 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*.

To Management and the Board of Trustees
Hope College

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 the College's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plante & Moran, PLLC

October 26, 2023

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance
Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Trustees
Hope College

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Hope College's (the "College") compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (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, 2023. 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 compliance requirements referred to above that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2023.

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 (GAAS); 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* (the "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.

To the Board of Trustees
Hope College

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 GAAS, *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 GAAS, *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.

To the Board of Trustees
Hope College

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.

Plante & Moran, PLLC

February 26, 2024

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Federal Agency/Pass-through Agency/Program Title	Assistance	Pass-through Entity Identifying	Total Amount	
	Listing Number	Number/Federal Award Number	Provided to Subrecipients	Federal Expenditures
Clusters:				
Student Financial Assistance Cluster - U.S. Department of Education - Direct:				
William D. Ford Direct Loan Program	84.268	P269K180228	\$ -	\$ 13,397,398
Federal Pell Grant Program	84.063	P063P100228	-	2,633,018
Federal Work-Study Program	84.033	P033A102023	-	304,905
Federal Supplemental Educational Opportunity Grants Program	84.007	P007S102023	-	242,212
Federal Perkins Loans Outstanding	84.038	P038S042023	-	1,955,657
Federal TEACH Grants	84.379	P379T180228	-	73,381
Total Student Financial Assistance Cluster			-	18,606,571
Research and Development Cluster:				
National Science Foundation - Direct:				
Engineering Grants	47.041	CBET-1805447	-	23,265
Mathematical and physical sciences	47.049	CHE-1764118	-	44,057
Mathematical and physical sciences	47.049	AST-1813610	-	41,802
Mathematical and physical sciences	47.049	RUI-1911418	-	37,447
Mathematical and physical sciences	47.049	RUI-2128632	-	72,816
Mathematical and physical sciences	47.049	PHY-2209138	-	25,916
Computer and Information Science and Engineering	47.070	MRI-1919571	-	80,509
Biological sciences	47.074	MCB-1814845	-	48,484
Biological sciences	47.074	DUE-1716285	-	14,792
Biological sciences	47.074	MCB-2141375	-	87,928
Biological sciences	47.074	DBI-2217870	-	102,992
Biological sciences	47.074	DBI-2217891	-	7,894
Education and human resources	47.076	DUE-1650889	-	18,692
Education and human resources	47.076	DUE-1726162	-	123,721
Education and human resources	47.076	DUE-2029372	-	223,894
Education and human resources	47.076	DUE-2141879	-	16,461
Federal Funds - Passed through University of Texas at Arlington	47.076	18-001225	-	18,473
Total National Science Foundation			-	989,143
Environmental Protection Agency - Great Lakes program - Passed through Macatawa Area Coordinating Council				
	66.469	00E02914	-	2,346
Department of Education - Fund for the Improvement of Postsecondary Education - Passed through University of California				
	84.116T	A19-2778-S001	-	51,499
National Aeronautics and Space Administration - Passed through the University of Michigan - Michigan Space Consortium				
	43.001	NGT5-40062	-	172,171
National Institutes of Health (NIH) - Biomedical Research and Research Training - Direct				
	93.859	1R15GM132853-01	-	37,083
National Institutes of Health (NIH) - Environmental Health - Passed through Purdue University				
	93.113	1R01ES032463-01A1	-	10,543
National Aeronautics and Space Administration - Education - Direct				
	43.008	80NSSC22K0447	-	8,535
National Oceanic and Atmospheric Administration - Marine Sanctuary Program - Direct				
	11.429	NA20NOS4290009	-	46,320
Total Research and Development Cluster			-	1,317,640
TRIO Cluster - Upward Bound (excluding expenditures of \$125,000 paid from matching funds) - Direct				
	84.047	P047A990606-02	-	500,847
Child Nutrition Cluster - Summer Food Service Program for Children - Direct				
	10.559	N/A	-	5,978
Other federal awards:				
Dept of Health and Human Services - COVID-19 - Epidemiology and Laboratory Capacity for Infectious Diseases - Passed through State of Michigan				
	93.323	NU50CK000510	-	1,853,940
National Endowment for the Arts - Direct:				
Promotion of the Arts	45.024	FY15-2246	-	16,662
Promotion of the Humanities	45.129	N/A	-	17,500
Total National Endowment for the Arts			-	34,162
U.S. Department of Homeland Security - COVID-19 - Disaster Grants - Public Assistance (Presidentially Declared Disasters) - Direct				
	97.036	141755 PW348 DR4494MI	-	320,732
U.S. Department of Education - Education Stabilization Fund - COVID-19 - Higher Education Emergency Relief Fund - Student Aid - Direct				
	84.425E	P425E200657	-	1,000
Total other federal awards			-	2,209,834
Total federal awards			\$ -	\$ 22,640,870

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Hope College (the "College") under programs of the federal government for the year ended June 30, 2023. The information in the 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* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the College, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the College.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

The College has elected not to use the 10 percent *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance.

Note 3 - Loan Balances

As part of the Student Financial Assistance Cluster, the College participates in the Federal Perkins Loan Program through the U.S. Department of Education. The outstanding balances on these loans totaled \$1,401,521 as of June 30, 2023. No new loans were issued, and there were no federal or institutional capital contributions to the loan program during the year ended June 30, 2023. The College utilizes the services of Heartland ECSI to administer the repayments of the Federal Perkins loans and perform certain due diligence procedures.

Note 4 - Disaster Grants Public Assistance Program (ALN 97.036)

Included in the Schedule for the year ended June 30, 2023 is \$320,732 of expenditures incurred under the Disaster Grants Public Assistance grant (ALN 97.036) in previous fiscal years. The project worksheet for these expenditures was approved in the current fiscal year and these expenditures have been reported in the current fiscal year in accordance with the reporting requirements outlined in the 2023 *Compliance Supplement*.

Schedule of Findings and Questioned Costs

Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

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 X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

Noncompliance material to financial statements noted? _____ Yes X None reported

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? _____ Yes X No

Identification of major programs:

ALN	Name of Federal Program or Cluster
84.268, 84.063, 84.033, 84.007, 84.038, 84.379 Various	Student Financial Assistance Cluster Research and Development Cluster

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

Auditee qualified as low-risk auditee? X Yes _____ No

Section II - Financial Statement Audit Findings

Reference Number	Finding
Current Year None	

Schedule of Findings and Questioned Costs (Continued)

Year Ended June 30, 2023

Section III - Federal Program Audit Findings

Reference Number	Finding
Current Year	None