



Commonwealth of Massachusetts  
Office of the State Auditor  
Suzanne M. Bump

*Making government work better*

Official Audit Report – Issued June 13, 2022

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## Bunker Hill Community College

For the period March 1, 2020 through June 30, 2021





Commonwealth of Massachusetts  
Office of the State Auditor  
Suzanne M. Bump

*Making government work better*

June 13, 2022

Dr. Pam Eddinger, President  
Bunker Hill Community College  
250 New Rutherford Avenue  
Boston, MA 02129

Dear Dr. Eddinger:

I am pleased to provide this performance audit of Bunker Hill Community College. This report details the audit objectives, scope, methodology, findings, and recommendations for the audit period, March 1, 2020 through June 30, 2021.

My audit staff discussed the contents of this report with management of Bunker Hill Community College, whose comments are reflected in this report. I would also like to express my appreciation to Bunker Hill Community College for the cooperation and assistance provided to my staff during the audit.

Sincerely,

A handwritten signature in blue ink, appearing to read "SMBump".

Suzanne M. Bump  
Auditor of the Commonwealth

cc: William Walczak, Chair of the Bunker Hill Community College Board of Trustees  
Carlos Santiago, Commissioner of the Massachusetts Department of Education

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## LIST OF ABBREVIATIONS

ARP	American Rescue Plan
BHCC	Bunker Hill Community College
CARES	Coronavirus Aid, Relief, and Economic Security
CFR	Code of Federal Regulations
COVID-19	2019 coronavirus
CRRSAA	Coronavirus Response and Relief Supplemental Appropriations Act
CTR	Office of the Comptroller of the Commonwealth
EOE	Executive Office of Education
EOTSS	Executive Office of Technology Services and Security
ESF	Education Stabilization Fund
GEER	Governor’s Emergency Education Relief
GLTB	general ledger trial balance
HEERF	Higher Education Emergency Relief Fund
ICP	internal control plan
IHE	institution of higher education
ISA	interdepartmental service agreement
ISIR	institutional student information record
OMB	Office of Management and Budget
US DOE	United States Department of Education

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## EXECUTIVE SUMMARY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of Bunker Hill Community College (BHCC) for the period March 1, 2020 through June 30, 2021.

In this performance audit, we reviewed financial activity from federal funding provided by the Coronavirus Aid, Relief, and Economic Security Act, the Coronavirus Response and Relief Supplemental Appropriations Act, and the Governor’s Emergency Education Relief (GEER) Fund. In addition, we reviewed BHCC’s compliance with the Office of the Comptroller of the Commonwealth’s (CTR’s) guidance on revisions to its internal control plan (ICP) to address operational changes due to the 2019 coronavirus (COVID-19) pandemic. We also reviewed BHCC’s compliance with the Executive Office of Technology Services and Security’s Information Security Risk Management Standard IS.010 for providing training to individuals with access to its information systems.

Below is a summary of our findings and recommendations, with links to each page listed.

<b>Finding 1</b> <b>Page <a href="#">10</a></b>	BHCC did not accurately record and report the institutional portion of Higher Education Emergency Relief Funds and the GEER Fund.
<b>Recommendations</b> <b>Page <a href="#">11</a></b>	<ol style="list-style-type: none"><li>1. BHCC should establish Office of Management and Budget (OMB)–compliant identification for each federal grant in its Colleague accounting system.</li><li>2. BHCC should train employees who are charged with the administration of federal grants on the requirements for compliance with OMB’s <i>Uniform Guidance</i>.</li></ol>
<b>Finding 2</b> <b>Page <a href="#">12</a></b>	BHCC did not update its ICP to address the effects of COVID-19 on its operations.
<b>Recommendations</b> <b>Page <a href="#">13</a></b>	<ol style="list-style-type: none"><li>1. BHCC should update its ICP whenever significant changes occur.</li><li>2. BHCC should determine whether its designated internal control officer is the correct staff member to receive and respond to internal control communication from CTR.</li></ol>
<b>Finding 3</b> <b>Page <a href="#">13</a></b>	BHCC did not implement an enterprise-wide cybersecurity awareness training program.
<b>Recommendations</b> <b>Page <a href="#">14</a></b>	<ol style="list-style-type: none"><li>1. BHCC officials should implement an enterprise-wide cybersecurity awareness training program.</li><li>2. BHCC officials should negotiate with union officials to establish cybersecurity awareness training requirements for personnel and, where relevant, contractors and temporary staff members.</li></ol>

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## OVERVIEW OF AUDITED ENTITY

Bunker Hill Community College (BHCC) is authorized by Section 5 of Chapter 15A of the Massachusetts General Laws and operates under the direction of a board of trustees, the members of which are appointed by the Governor. The president of BHCC is the administrative head of the college and reports to the board of trustees. According to its website,

*Bunker Hill Community College serves as an educational and economic asset for the Commonwealth of Massachusetts by offering associate degrees and certificate programs that prepare students for further education and fulfilling careers.*

BHCC is a member of the Massachusetts public higher education system, which consists of 15 community colleges, nine state universities, and five University of Massachusetts campuses. Founded in 1973, BHCC has a diverse student body that is approximately 61% people of color and more than 50% women and includes international students from 105 countries who speak more than 75 languages. In fiscal year 2021, nearly 10,000 students were enrolled at BHCC, and as of June 30, 2021, the college offered 67 associate's degree programs and 45 certificate programs.

In fiscal year 2020, BHCC had operating revenue of \$64,463,957 and non-operating revenue (state appropriation, federal assistance, and investment income) of \$45,805,870. In fiscal year 2021, BHCC had operating revenue of \$53,327,566 and non-operating revenue of \$76,802,498.

### Coronavirus Aid, Relief, and Economic Security Act

The Coronavirus Aid, Relief, and Economic Security (CARES) Act, enacted by Congress on March 27, 2020, provided \$30.75 billion for an Education Stabilization Fund (ESF) to prevent, prepare for, and respond to the impact of the 2019 coronavirus (COVID-19) pandemic. The ESF includes the Governor's Emergency Education Relief (GEER) Fund, the Elementary and Secondary School Emergency Relief Fund, and grants to state educational agencies and Governors' offices. The ESF also allocated money for the Higher Education Emergency Relief Fund (HEERF) Program.<sup>1</sup>

Section 18002 of the CARES Act awarded grants to states under the GEER Fund to provide emergency assistance funding to local educational agencies, institutions of higher education (IHEs), and other

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1. The HEERF consists of three separate grants related to the COVID-19 pandemic emergency that were directly funded from the United States Department of Education under the CARES Act (HEERF I), Coronavirus Response and Relief Supplemental Appropriations Act (HEERF II), and American Rescue Plan Act (HEERF III).

education-related entities. States can use GEER funding to provide emergency support through allocations to IHEs that serve the students who have been most significantly affected by COVID-19. The Massachusetts Executive Office of Education received \$50.8 million of GEER funding to distribute to schools in the Commonwealth as support for operations affected by COVID-19. The Massachusetts Department of Higher Education received approximately \$20.5 million of GEER funding to support state IHEs.

According to the *Frequently Asked Questions about the Governor's Emergency Education Relief Fund (GEER Fund)* document distributed by the United States Department of Education (US DOE), IHEs may use GEER funding to provide the following:

- *Staff, infrastructure and technology to support distance education, or remote learning;*
- *Academic support for libraries, laboratories, and other academic facilities;*
- *Institutional support for activities related to personnel, payroll, security, environmental health and safety, and administrative offices;*
- *Student services that promote a student's emotional and physical well-being outside the context of the formal instructional program; and*
- *Student financial aid, such as IHE-sponsored grants and scholarships.*

Section 18004(a)(1) of the CARES Act provided funding for the HEERF I Program based on student enrollment. It required IHEs to spend at least 50% of the funding (referred to as the student portion) to provide students with emergency financial aid grants to help cover expenses related to the “disruption of campus operations due to coronavirus” and the remaining funding (the institutional portion) to cover institutional costs associated with “significant changes to the delivery of instruction due to the coronavirus.”

The student portion was to provide funding for items related to students’ cost of attendance, such as tuition, course materials, technology, food, housing, healthcare, and childcare. To be eligible for this funding, students must have completed the Free Application for Federal Student Aid and could not be enrolled in an online-only academic program on March 13, 2020, the date the President declared the national emergency due to COVID-19. According to Section E(19) of US DOE’s *Higher Education Emergency Relief Fund (HEERF) Frequently Asked Questions (FAQ) Rollup Document*,

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*Institutions may provide emergency financial aid grants to students using checks, electronic transfer payments, debit cards, and payment apps that adhere to [US DOE's] requirements for paying credit balances [i.e., money paid directly] to students.*

The institutional portion could be used to cover any costs associated with significant changes to the delivery of instruction due to COVID-19. These costs included expenditures to expand remote learning programs, build information technology capacity to support the programs (by upgrading WiFi and technology, providing laptops to students, and training faculty members in online instruction), and manage campus safety and operations (by disinfecting, cleaning, purchasing personal protective equipment, adding personnel to increase the frequency of cleaning, and reconfiguring facilities to promote social distancing). Institutional funding could also be used to reimburse tuition and fees paid by students and to provide additional emergency financial aid grants to students. All expenses paid using this funding must have been incurred on or after March 13, 2020.

### **Coronavirus Response and Relief Supplemental Appropriations Act**

The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) was signed into law December 27, 2020 to provide approximately \$22.7 billion of additional funding to support IHEs affected by COVID-19.

Like the CARES Act, Section 314(a)(1) of the CRRSAA allocated funding to IHEs by providing both student and institutional funding. US DOE modified its guidance to allow more students to receive funding. Under the modified guidance, students were no longer required to have completed a Free Application for Federal Student Aid or to be enrolled in on-campus classes to receive emergency financial aid grants.

US DOE also modified the guidance for the institutional portion, allowing IHEs to use funding to defray expenses associated with lost revenue. This updated guidance could also be applied to any CARES Act funding that was not expended by the time an IHE received CRRSAA funding.

### **American Rescue Plan Act**

On March 11, 2021, the American Rescue Plan (ARP) Act was signed into law, providing an additional \$39.6 billion for the HEERF Program. The ARP Act required that at least half of each institution's award be used to make emergency financial aid grants to students and the rest for institutional purposes.

US DOE's guidance document for ARP Act funding, *Higher Education Emergency Relief Fund III Frequently Asked Questions*, defined funding used for institutional purposes as follows:



*[Funding used to] (a) implement evidence-based practices to monitor and suppress coronavirus in accordance with public health guidelines; and (b) conduct direct outreach to financial aid applicants about the opportunity to receive a financial aid adjustment due to the recent unemployment of a family member or independent student, or other circumstances.*

US DOE allocated ARP Act funding to BHCC, but BHCC did not use any of it during the audit period.

Below is a summary of BHCC’s COVID-19-related funding during the audit period.

<b>Grant Type</b>	<b>Award</b>
CARES 18004(a)(1) Student	\$ 4,155,153
CARES 18004(a)(1) Institutional	4,155,154
CARES 18004(a)(2) Title III	557,328
GEER Student	288,720
GEER Institutional	1,113,750
CRRSAA 314(a)(1) Student	4,155,154
CRRSAA 314(a)(1) Institutional	13,384,117
CRRSAA 314(A)(2)	1,026,244
ARP 2003(a)(1) Student	15,923,657
ARP 2003(a)(1) Institutional	15,589,171
<b>Total</b>	<b><u>\$ 60,348,448</u></b>

## AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of certain activities of Bunker Hill Community College (BHCC) for the period March 1, 2020 through June 30, 2021.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Below is a list of our audit objectives, indicating each question we intended our audit to answer; the conclusion we reached regarding each objective; and, if applicable, where each objective is discussed in the audit findings.

Objective	Conclusion
1. Did BHCC administer the student portion of funding under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) in accordance with Sections C(13), (14), and (15); D(18); and E(19), (20), and (21) of the United States Department of Education’s (US DOE’s) <i>Higher Education Emergency Relief Fund (HEERF) Frequently Asked Questions (FAQ) Rollup Document</i> and Question 6 of US DOE’s <i>Higher Education Emergency Relief Fund (HEERF II) Public and Private Nonprofit Institution (a)(1) Programs ([Catalog of Federal Domestic Assistance, or CFDA] 84.425E and 84.425F) Frequently Asked Questions</i> ?	<b>Yes</b>
2. Did BHCC record and report the institutional portions of CARES Act, CRRSAA, and Governor’s Emergency Education Relief (GEER) funding in accordance with Sections 200.302(b)(1) and (b)(2) of Title 2 of the Code of Federal Regulations (CFR), which the federal Office of Management and Budget (OMB) uses in its <i>Uniform Guidance (2014)</i> ?	<b>No; see Finding <u>1</u></b>
3. Did BHCC calculate lost revenue that it recovered in accordance with Questions 9 and 10 of US DOE’s <i>Higher Education Emergency Relief Fund (HEERF I, II, and III) Lost Revenue Frequently Asked Questions</i> ?	<b>Yes</b>
4. Did BHCC provide the student portion of GEER funding to eligible students in accordance with Attachment A of the interdepartmental service agreement (ISA) between the Massachusetts Executive Office of Education (EOE) and the Massachusetts Department of Higher Education?	<b>Yes</b>

Objective	Conclusion
5. Did BHCC update its internal control plan (ICP) to address the impact of the 2019 coronavirus (COVID-19) pandemic as required by the Office of the Comptroller of the Commonwealth’s (CTR’s) “COVID-19 Pandemic Response Internal Controls Guidance,” dated September 30, 2020?	<b>No; see Finding <u>2</u></b>
6. Did BHCC implement an enterprise-wide cybersecurity awareness training program as required by Sections 6.2.1.1 and 6.2.1.2 of the Executive Office of Technology Services and Security’s (EOTSS’s) Information Security Risk Management Standard IS.010?	<b>No; see Finding <u>3</u></b>

To achieve our objectives, we gained an understanding of the internal controls related to the objectives by reviewing applicable policies and interviewing BHCC officials. We evaluated the design and implementation of controls over BHCC’s purchasing process, its ICP, and any cybersecurity awareness training. In addition, we performed the following procedures to address the objectives.

- To determine whether BHCC administered the student portion of the CARES Act funding in accordance with Sections C, D, and E of US DOE’s *Higher Education Emergency Relief Fund (HEERF) Frequently Asked Questions (FAQ) Rollup Document* and Question 6 of US DOE’s *Higher Education Emergency Relief Fund (HEERF II) Public and Private Nonprofit Institution (a)(1) Programs (CFDA 84.425E and 84.425F) Frequently Asked Questions*, we used the CARES Act student disbursement data from Colleague<sup>2</sup> and selected a statistical, random sample of 60 disbursements (totaling \$46,798) out of 13,668 disbursements (totaling \$11,067,254), using a 95% confidence level, a 5% tolerable error rate, and a 0% expected error rate. Of the 60 transactions sampled, 50 were related to the block grant (an award of funds that was provided to all eligible BHCC students from HEERF I funding), and 10 were related to the emergency fund grant (an award of funding to students who applied, based on financial hardships caused by the COVID-19 pandemic). We reviewed the institutional student information record (ISIR) for each student to verify that the student had completed a Free Application for Federal Student Aid for the 2019–2020 academic year. To verify that students had enrolled in in-person classes by March 13, 2020, we reviewed student transcripts and obtained a written testimonial statement from BHCC attesting that it had not offered online classes before the pandemic. We reviewed the request for for each student who had received the emergency fund grant to verify that the purpose of each payment was allowable. To determine whether payment methods were allowable, we verified that payments to students were made by a method approved by US DOE, and we reviewed issued checks and electronic fund transfer detail summaries from BHCC’s banking institutions to determine whether the amounts disbursed matched the approved amounts.
- To determine whether BHCC recorded and reported the institutional portions of CARES Act, CRRSAA, and GEER funding in accordance with 2 CFR 200.302(b)(1) and (b)(2), which OMB uses in its *Uniform Guidance* (2014), we conducted a detailed analysis of the required Quarterly Budget and Expenditure Reports for CARES Act and CRRSAA funding. During the audit period, BHCC generated three of these quarterly reports, using data on spreadsheets that were independently

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2. Colleague is the database system for BHCC’s administrative activities, accounting, and student files.

maintained by its staff, for the fiscal quarters ended September 30, 2020; December 31, 2020; and March 31, 2021. We performed analytical procedures that compared these Quarterly Budget and Expenditure Reports to Quarterly Budget and Expenditure Reports for the same fiscal quarters that BHCC had updated in November 2021 to identify the differences between them. We then performed analytical procedures that compared data on the independently maintained spreadsheets to institutional fund expenditures recorded in Colleague to identify the federal grants with which institutional expenditures were associated.

- To determine whether lost revenue recovered by BHCC was calculated in accordance with *Higher Education Emergency Relief Fund (HEERF I, II, and III) Lost Revenue Frequently Asked Questions*, we reformed BHCC's calculation of lost revenue recovered for accuracy and analyzed the method used to determine the recovery amount.
- To determine whether BHCC provided the student portion of GEER funding in accordance with Attachment A of the ISA between EOE and the Massachusetts Department of Higher Education, we selected a random, nonstatistical sample of 50 student disbursements (totaling \$42,820), using the TeamMate+ Analytics software program,<sup>3</sup> from a population of 340 (totaling \$288,720). We reviewed each student's ISIR to verify that the student had completed a Free Application for Federal Student Aid for the academic year, and we reviewed copies of each student's request form to verify that the purpose of the payment was allowable. We examined transcripts to verify that the students were Massachusetts residents, had satisfactory academic progress in accordance with BHCC's academic policy, and had not earned bachelor's or professional degrees.
- To determine whether BHCC had updated its ICP to address the effect of COVID-19, as required by CTR's "COVID-19 Pandemic Response Internal Controls Guidance" (dated September 30, 2020), we selected BHCC staff members who administered the ICP. From BHCC's comptroller, associate vice president of administration and finance, and vice president of administration and finance, we obtained testimonial evidence of noncompliance with the requirement of updating the ICP.
- To determine whether BHCC implemented an enterprise-wide cybersecurity awareness training program as required by Sections 6.2.1.1 and 6.2.1.2 of EOTSS's Information Security Risk Management Standard IS.010, we selected BHCC staff members who would have administered any such program. We obtained testimonial evidence of noncompliance with the requirement from BHCC's vice president of administration and finance, chief information officer, and associate vice president of human resources and labor relations.

When using nonstatistical sampling, we could not project the results to the entire population.

## Data Reliability

To gain an understanding of the data in Colleague, we reviewed BHCC policies related to certain general information technology controls, including access controls, personnel screening, and account

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3. This is an Excel-based data analytics tool that allows auditors to execute advanced data analysis.

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management. In addition, we obtained and reviewed a System and Organization Controls Report<sup>4</sup> and gap letter<sup>5</sup> from BHCC to ensure that controls operated effectively.

We assessed the completeness and accuracy of the CARES 18004(a)(1), CARES 18004(a)(2), and GEER Fund student disbursement lists extracted from Colleague by performing data integrity tests to identify blank fields, data outside our audit period, and duplicate data. We also observed the financial aid director retrieving student records, which contained student applications for grants and financial aid, from the electronic file cabinet<sup>6</sup> where they were stored. We traced a sample of 20 payment records from the Colleague CARES Act and GEER Fund student disbursement lists to these student records. Next, we traced a sample of 20 student records from the electronic file cabinet back to the CARES Act and GEER Fund disbursement lists from Colleague.

As a result of these procedures, we determined that the data obtained were sufficiently reliable for the purpose of our audit.

We obtained data related to institutional fund expenditures provided by BHCC staff members, including spreadsheets maintained by BHCC staff members; data from Colleague for the period March 1, 2020 through June 30, 2020; and data related to the Colleague institutional fund expenditures for the period July 1, 2020 through June 30, 2021. We identified issues related to the reliability of these data that we discuss in [Finding 1](#).

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4. This is a report on an independent review of the information system controls of software to attest to the security of the software for a specific period of time.
  5. We obtained the gap letter because the System and Organization Controls Report did not cover the entire our audit period. It attests to the security of the software for the missing period, stating that no changes to the system had been made that would compromise its security.
  6. An electronic file cabinet is software that collects information submitted by an outside user and does not alter the entered information.

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## DETAILED AUDIT FINDINGS WITH AUDITEE'S RESPONSE

### **1. Bunker Hill Community College did not accurately record and report the institutional portion of Higher Education Emergency Relief Funds and the Governor's Emergency Education Relief Fund.**

Bunker Hill Community College (BHCC) did not individually identify in its accounts all federal pandemic-related institutional funding received and expended. Specifically, the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act (Higher Education Emergency Relief Fund, or HEERF, I), Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) (HEERF II), and Governor's Emergency Education Relief (GEER) Fund institutional funding were commingled in a single account in its Colleague accounting system. By commingling federal funds, BHCC creates a risk that they may not be used for their intended purpose, restricts its ability to report accurately, and may jeopardize future federal funding eligibility.

According to BHCC management, upon notification of the grant of CARES Act and GEER funding in late fiscal year 2020, the college's Budget Office began to maintain a spreadsheet that listed all institutional purchases that were eligible for reimbursement from that funding. Subsequently, in July 2020 (i.e., the beginning of fiscal year 2021), BHCC established an account in Colleague to track all institutional purchases made with pandemic funding. This account did not distinguish between the CARES Act and GEER funding. In addition, in December 2020, when the CRRSAA was passed by Congress, BHCC was awarded additional institutional funding in the HEERF II Program. Institutional expenditures that were eligible for reimbursement under the CRRSAA were also recorded in the aforesaid account in Colleague.

In addition, after the audit period (in November 2021), the quarterly reports for the fiscal quarters ended September 30, 2020; December 31, 2020; and March 31, 2021 were amended to correct information that had been reported previously.

BHCC gave us a General Ledger Trial Balance (GLTB) Report from Colleague that showed all general ledger transactions for the audit period. Using the BHCC-maintained spreadsheet and GLTB Report, we attempted to identify CARES Act, CRRSAA, GEER Fund, and non-2019 coronavirus (COVID-19) transactions in Colleague. We noted discrepancies between the GLTB data and the spreadsheets.

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## Authoritative Guidance

Section 200.302(b) of Title 2 of the Code of Federal Regulations, which the federal Office of Management and Budget (OMB) uses in its *Uniform Guidance* (2014), requires the following:

*The financial management system of each non-Federal entity [such as BHCC] must provide for the following:*

- (1) Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. . . .*
- (2) Accurate, current, and complete disclosure of the financial results of each Federal award or program.*

## Reasons for Issue

BHCC stated that the federal guidelines were not clear about the need to separate the funding and how to properly report its use.

## Recommendations

1. BHCC should establish OMB-compliant identification for each federal grant in Colleague.
2. BHCC should train employees who are charged with the administration of federal grants on the requirements for compliance with OMB's *Uniform Guidance*.

## Auditee's Response

*Separate revenue and expenditure accounts were required for individual HEERF grants. Due to a miscommunication, separate accounts were not set up.*

*Each iteration of the grant had the same award number, and as a result, revenue was not separately accounted for. Nevertheless, expenditures were tracked correctly. The revenue sources were accounted for in spreadsheets, but not in the system. These spreadsheets agreed in total with each separate grant in the reports that were sent to the State and Federal Government.*

*We agree with the auditors' recommendations, and we are making the following improvements to correct the processes:*

- All grants will be routed through our grants department first where staff are experts in grant management, the funds will be set up appropriately in a separate account through projects accounting. Once funds are set up, the department overseeing the spending will receive training and advisement from the grants office.*
- During the training, the grants department will review with the department all parameters of the grant, including OMB compliance information, if applicable, to ensure funds are spent appropriately.*

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## Auditor's Reply

Based on the response above, BHCC is taking measures to address our concerns.

### **2. BHCC did not update its internal control plan to address the effects of COVID-19 on its operations.**

BHCC did not make additions or adjustments to its internal control plan (ICP) to address the effect of COVID-19 on its operations. Specifically, BHCC did not update the following areas: preparing for the current and long-term effects of the COVID-19 pandemic and properly accounting for COVID-19 funding and related expenditures.

An ICP identifies objectives and risks and identifies control activities to mitigate risks that will prevent an agency from accomplishing its objectives. Without updating its ICP, BHCC may not identify and/or mitigate all the risks triggered by the pandemic.

On March 13, 2020, the President declared a national emergency due to COVID-19. Following this declaration, BHCC students, faculty members, and staff members converted to remote learning and work environments. However, BHCC's ICP did not include instructions on how to address these significant changes to business processes and internal controls to mitigate the risks that resulted from the pandemic.

### **Authoritative Guidance**

The Office of the Comptroller of the Commonwealth's (CTR's) "COVID-19 Pandemic Response Internal Controls Guidance" states,

*Department internal control plans must be based on risk assessments and updated annually, or when significant changes occur. Because the COVID-19 Pandemic has affected all departments, The Comptroller, in consultation with the State Auditor's Office, is providing two options for updating internal controls.*

- 1. If the impact to your department is such that it can be reflected in your Internal Control Plan (ICP), then update the ICP as you would for any other mid-year changes.*
- 2. Departments experiencing a significant impact, and requiring the accumulation of substantial documentation (e.g. changes to business processes, requirements of federal and state-specific laws or guidance, new funds or new programs), can draft a separate COVID-19 Pandemic Response Plan Appendix to the ICP as an organized set (hard or soft copies) of emails, documents, risk assessments, policies, and procedures.*



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## Reasons for Issue

BHCC officials told us that the designated internal control officer (the vice president of administration and finance, who also coordinates with CTR) could not locate CTR's email that included the above guidance and that therefore guidance was missed during a critical time in the pandemic.

## Recommendations

1. BHCC should update its ICP whenever significant changes occur.
2. BHCC should determine whether its designated internal control officer is the correct staff member to receive and respond to internal control communication from CTR.

## Auditee's Response

*The initial email from the Comptroller's Office was sent to all Chief Financial Officers on May 17, 2020, along with the COVID-19 Guidance for Updating Internal Control Plans.*

*After several unsuccessful searches, this email could not be located. The College transitioned to remote operations in mid-March 2020. By May the executive team's focus remained on addressing the overwhelming number of issues arising from the transition. Consequently, emails piled up in inboxes while the executive team was dealing with the emergency. The email may have been deleted inadvertently. It was also noted that a follow-up email was not sent by the Comptroller's Office on this subject. It would have been helpful to receive another prompt.*

*Although the above-mentioned request and the attached guidance were not received in May 2020, the College leadership took and continues to take steps to identify risks, to put adequate controls in place to assess the impact of the pandemic, to reduce disruptions, to mitigate risks, and to develop safety protocols.*

*The following actions are taken to improve this process:*

- *A COVID-19 Pandemic Response Plan Appendix to the Internal Control Plan is being drafted to complete the requirement as described in the Internal Control Guidance.*
- *We have determined the current staff member is the correct Internal Control Officer to receive and respond to communications.*

## Auditor's Reply

Based on the response above, BHCC is taking measures to address our concerns.

### **3. BHCC did not implement an enterprise-wide cybersecurity awareness training program.**

BHCC did not implement an enterprise-wide cybersecurity awareness training program for personnel and, where relevant, contractors and temporary staff members. Without an enterprise-wide cybersecurity

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awareness training program, BHCC is exposed to a higher risk of cybersecurity attacks that may result in financial and/or reputation losses.

### **Authoritative Guidance**

According to Section 6.2.1 of the Executive Office of Technology Services and Security's Information Security Risk Management Standard IS.010, an entity must do the following:

*Implement an enterprise-wide information security awareness and training program.*

*6.2.1.1 Develop appropriate training materials in collaboration with [the entity's] Human Resources and Legal.*

### **Reasons for Issue**

BHCC officials stated that when they sent notices to employees about the mandatory cybersecurity awareness training, the unions represented at BHCC delayed the deployment of the training. BHCC and the unions could not come to an agreement on compensation for the training.

### **Recommendations**

1. BHCC officials should implement an enterprise-wide cybersecurity awareness training program.
2. BHCC officials should negotiate with union officials to establish cybersecurity awareness training requirements for personnel and, where relevant, contractors and temporary staff members.

### **Auditee's Response**

*Data security has been and continues to be a top priority at Bunker Hill Community College. Cybersecurity training is a key component to the security strategy. However, Bunker Hill did not deploy [cybersecurity awareness training] during the audit period despite the purchase of KnowBe4 Security Awareness Training platform. When notices went out that BHCC would begin security training both [unions] initially balked at mandatory trainings. The rationale was potential compensation, whether staff would be evaluated on training outcomes and other factors.*

*[The] Chief Information Officer; . . . Chief Information Security Officer / Director of Network Operations; and . . . Associate VP of Human Resources with representation from both unions met to resolve concerns. The outcome was that trainings would commence for [non-union] and [one union's] staff in summer 2021 and for [the second union] in fall 2021. An email was sent to all staff to inform them of the trainings. . . .*

*One week after this email went out and prior to training, [the employee] who set up the security platform unexpectedly passed away. The trainings did not commence. In addition, requiring cybersecurity training has been a State Community College issue with several college constituents*

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*voicing various concerns. The community colleges enlisted help from state general counsel to require security training. . . .*

*The following actions are taken to improve this process:*

- *Cybersecurity training was rolled out to all staff, [full-time] and adjunct faculty in November 2021. These trainings will continue to be a core element of BHCC's cybersecurity strategy.*
- *Despite the lack of the key component of security awareness training during the audit period, Bunker Hill implemented best practice security strategies including:*
  - *Cisco Umbrella [cybersecurity management system]*
  - *[Domain name system] that filters suspect websites*
  - *Barracuda Firewall screening*
  - *Spam filtering*
  - *Preventing sending of any data that is a social security number or credit card*
  - *Preventing inbound emails containing executable attachments or suspect documents*
  - *Encryption of all laptops*
  - *Dual authentication to external facing systems with exception of student enrollment portal*
  - *Empow [security information and event management, or SIEM]—[artificial intelligence] data protection*
  - *Rapid7 SIEM—end point screening*

## **Auditor's Reply**

Based on the response above, BHCC is taking measures to address our concerns.