<table>
<thead>
<tr>
<th>Audit Recommendation</th>
<th>Agent</th>
<th>Action(s)</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>-001</td>
<td>VCFA</td>
<td>Long term plan being developed OPEB bond principal being serviced</td>
<td>In Progress</td>
</tr>
<tr>
<td>-002</td>
<td>College Presidents, AVC Student Services</td>
<td>Procedures developed and implemented mid-year</td>
<td>Complete</td>
</tr>
<tr>
<td>-003</td>
<td>College Presidents, AVC Student Services</td>
<td>Procedures developed and implemented mid-year</td>
<td>Complete</td>
</tr>
<tr>
<td>-004</td>
<td>AVC Student Services</td>
<td>Audit Resolution Workgroup recommended policies and procedures, which have been implemented</td>
<td>Complete</td>
</tr>
<tr>
<td>-005</td>
<td>AVC Student Services, AVC IT</td>
<td>Procedures developed and implemented</td>
<td>Complete</td>
</tr>
<tr>
<td>-006</td>
<td>VCFA</td>
<td>Procedures developed and implemented</td>
<td>Complete</td>
</tr>
<tr>
<td>-007</td>
<td>VCES</td>
<td>Procedures developed and implemented</td>
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</tr>
<tr>
<td>-008</td>
<td>College Presidents</td>
<td>Committees formed and meeting</td>
<td>Complete</td>
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<tr>
<td>-009</td>
<td>AVC Student Services</td>
<td>Procedures developed and implemented</td>
<td>Complete</td>
</tr>
<tr>
<td>-010</td>
<td>VCFA</td>
<td>Internal controls put in place</td>
<td>Complete</td>
</tr>
<tr>
<td>-001 Bond</td>
<td>VCFA</td>
<td>Review of job descriptions and reversal of erroneous charges</td>
<td>Complete</td>
</tr>
<tr>
<td>-002 Bond</td>
<td>VCFA</td>
<td>Committee conducts quarterly meetings</td>
<td>Complete</td>
</tr>
<tr>
<td>CalPERS</td>
<td>VCFA</td>
<td>Working PERS task force recommended solutions to mitigate reporting errors, which were implemented</td>
<td>Complete</td>
</tr>
</tbody>
</table>
### Corrective Action

- Long-term financial planning for fiscal stability of the District at the operating fund level and entity-wide level should continue and should take into consideration OPEB obligations coming due as well as other related liabilities/costs
- Accreditation District Recommendation #1 (Standard III.D.1.c, III.D.3.c)

### Responsibility/Point

- Responsible: Vice Chancellor of Finance & Administration
- Point: Vice Chancellor of Finance & Administration

### Status

- District has been conducting long-term financial planning and addressing future OPEB obligations, including debt service on bonds
- District working with its fiscal advisors to determine strategy/amount needed to fund future long-term liabilities
- An actuarial report has been completed, and results to be used to determine the amount of funds needed to fund future obligations
- The OPEB charge has been adjusted to address future needs
- District undertook the remarketing of a tranche of bonds to reduce debt service of the OPEB program
- Discussions with Bond Counsel are ongoing with respect to the establishment of an irrevocable trust
- A revised OPEB Substantive Plan is expected to be in place by August 2016

### Evidence of Correction

- 2015 Actuarial report
- Special PCCD Board of Trustee Meeting, 6/02/15 Agenda
- Successful remarketing and sale of Series B-2 bonds
- Timeline for OPEB Substantive Plan revision
### Corrective Action

- Implement procedures to ensure student data is reported on a timely basis to the U.S. Department of Education's Common Origination & Disbursement (COD) website within the required 30 days. (Repeat finding for Merritt College)
- Accreditation District Recommendation #2 (Standard III.D.2.b, III.D.3.h)

### Responsibility/Point

- Responsible: College President; Associate Vice Chancellor of Student Services; Associate Vice Chancellor of Information Technology
- Point: Financial Aid Director

### Status

- Under the supervision and guidance of the District Financial Aid Director, reports are now transmitted to the Federal Department of Education on a timely basis
- To ensure compliance with Federal reporting deadlines, a file transfer submission process & instructions have been developed & disseminated to the Colleges
- The District's Policy & Procedures Manual for Financial Aid has been updated

### Evidence of Correction

- Merritt College Transmission Activity Log
## Corrective Action Plan 2014-15

### 2014-003  Return of Title IV Funds Calculation & Return of Funds

<table>
<thead>
<tr>
<th>Corrective Action</th>
<th>Responsibility/Point</th>
<th>Status</th>
<th>Evidence of Correction</th>
</tr>
</thead>
</table>
| • Implement procedures to ensure return of Title IV funds calculations are done in a timely manner and all funds owed are returned to Federal government (Merritt College)  
• Accreditation District Recommendation #2 (Standard III.D.2.b, III.D.3.h) | • Responsible: Associate Vice Chancellor of Student Services; College Presidents  
• Point: Financial Aid Director; Vice President of Student Services | • Corrective actions have been implemented by the Colleges to ensure R2T4 calculations are performed and that funds are returned as applicable  
• The fiscal year 2014-15 calculations and return of Title IV funds process is current | • Peralta Community College Financial Aid Policies and Procedures Manual  
• Fall 2014 R2T4 Merritt College Report redacted without IDs  
• Spring 2015 R2T4 Merritt College report redacted without IDs |
**Corrective Action**

- Implement policies and procedures to verify that the School Account Statement (SAS) data file and the Loan Detail records per the DOE’s Common Origination and Disbursement (COD) system are reconciled to the institution’s financial records (Laney College & Merritt College)
- Accreditation District Recommendation #2 (Standard III.D.2.b, III.D.3.h)

**Responsibility/Point**

- Responsible: Associate Vice Chancellor of Student Services
- Point: Director of Financial Aid; Vice President of Student Services

**Status**

- The District has implemented policies and procedures to verify that the School Account Statement (SAS) data file and the Loan Detail records per the DOE’s Common Origination and Disbursement (COD) system are reconciled to the institution’s financial records
- District has provided guidance and training to the College Financial Aid Office personnel and management to perform the COD reconciliation process
- The Direct Loan funds have been fully reconciled and balanced for the Direct Loan program (award years 2013 and 2014)
- Merritt has closed out the Direct Loan program for those two years

**Evidence of Correction**

- Laney College Direct Loan reconciliation 14-15 redacted
- Merritt College Direct Loan reconciliation 14-15 redacted
| Corrective Action | • Implement procedures to ensure that the SSCR enrollment status files are submitted in a timely manner to the NSLDS (Laney College, College of Alameda, Berkeley City College, and Merritt College)  
• Accreditation District Recommendation #2 (Standard III.D.2.b, III.D.3.h) |
| Responsibility/Point | • Responsible: Associate Vice Chancellor of Student Services; Associate Vice Chancellor of Information Technology  
• Point: Associate Vice Chancellor of Student Services; Director of Enterprise Services, Information Technology |
| Status | • District has implemented procedures to ensure that the SSCR enrollment status files are submitted in a timely manner to the NSLDS  
• Data covering the period from Sept 2013 to May 2015 was submitted to our third party vendor-National Student Clearing House in a timely manner  
• District has established a multi-departmental enrollment data quality assurance work group to analyze and resolve any PeopleSoft reporting issues affecting NSDLS and other reporting requirements |
| Evidence of Correction | • PCCD-SSCR Process History  
• Audit Resolution Work Group Agenda and Minutes in the Corrective Action Matrix |
Corrective Action

- Develop administrative procedures that provide evidence of appropriate controls over equipment inventory
- Accreditation District Recommendation #2 (Standard III.D.2.b, III.D.3.h)

Responsibility/Point

- Responsible: Vice Chancellor of Finance & Administration
- Point: Director of Purchasing

Status

- Written procedures and instructions have been developed by the Purchasing Department and approved by the Planning and Budgeting Council to ensure appropriate controls over the safeguarding of assets and the recording of equipment inventory
- Internal Auditor has reviewed the written process for adequacy of internal control

Evidence of Correction

- AP6551 Inventory of Property and Equipment
- PBC agenda and minutes for May 2015
- Completed Physical Inventory for fiscal year 2014-15
PERALTA COMMUNITY COLLEGE DISTRICT
CORRECTIVE ACTION PLAN 2014-15
2014-007 Time and Effort Reporting

Corrective Action

• Strengthen procedures and controls over compliance, specifying how and when time certification processes are to be completed
• Accreditation District Recommendation #2 (Standard III.D.2.b, III.D.3.h)

Responsibility/Point

• Responsible: Vice Chancellor of Educational Services
• Point: Director of Development

Status

• The District Grants Coordinator has established an Internal Auditor recommended Compliance Assurance Program (CAP) that includes site training in time and effort reporting, regular communications to responsible college management, and other related actions
• The Grants Manual has been updated for distribution and campus training purposes
• District has begun conducting training program covering grants requirements
• District continues the implementation of the CAP program

Evidence of Correction

• CAP for Grants Management
• Time and Effort Certification 5-28-2015
• Peralta Time & Effort Schedule Memo
• TAACCT Semi-annual Time Effort Certification Form
### CARE Advisory Committee Meeting

<table>
<thead>
<tr>
<th>Corrective Action</th>
<th>Responsibility/Point</th>
<th>Status</th>
<th>Evidence of Correction</th>
</tr>
</thead>
</table>
| • CARE program advisory committee is to be put in place and meet as required by the program guidance (College of Alameda)  
• Accreditation District Recommendation #2 (Standard III.D.2.b, III.D.3.h) | • Responsible: College President  
• Point: CARE Program Director | • Two combined (EOPS and CARE) advisory committee meetings occurred during 2014-15  
• CARE program advisory committee is in place and meets as required by the program guidance | • EOPS-CARE agenda October 2014  
• EOPS-CARE minutes October 2014  
• EOPS-CARE agenda May 20, 2015  
• EOPS-CARE minutes May 20, 2015 |
### Corrective Action

- Implement a process to actively monitor residency changes made at the colleges ensuring that proof of the change is collected and sent to the district office
- Accreditation District Recommendation #2 (Standard III.D.2.b, III.D.3.h)

### Responsibility/Point

- Responsible: Associate Vice Chancellor Student Services
- Point: Associate Vice Chancellor Student Services; Vice President of Student Services; Dean of Admission & Records

### Status

- Implementation of the following procedures: A query identifying students whose residency changed from the application was created to generate a list that is provided to each College so each can conduct self-audits. Colleges verify the residency change and ensure that proper documentation was collected and that comments were entered in the system. The District requires that the college submit documentation of any changes to the District for record-keeping.
- District Admissions & Records held compliance training sessions for the colleges and will continue to provide support and annual training

### Evidence of Correction

- A & R Training July 2014
- A & R Training July 2015
- Trainings included:
  - A & Records Procedures for admission, student record correction and registration processes
  - CCCCO Residency
  - Chapter 2 Residency Regulations
When expensing charges to the Education Protection Account (EPA), the District will only expense instructional costs, not costs associated with administrative functions. Accreditation District Recommendation #2 (Standard III.D.2.b, III.D.3.h)

Responsible: Vice Chancellor of Finance & Administration
Point: Director of Fiscal Services

The Finance Department has installed a key control in their administrative procedures to prevent administrative costs from being charged to EPA. Finance will post all EPA expenses into the EPA account during the year-end closing period; all expenses will be screened for administrative salary costs before actual posting.

Finance procedure for posting expenses to the Education Protection Account
PERALTA COMMUNITY COLLEGE DISTRICT
CORRECTIVE ACTION PLAN 2014-15
2014-001 MEASURE A GENERAL OBLIGATION BOND COMPLIANCE

Corrective Action

- Regularly review all bond employees' job descriptions to ensure they are eligible to be charged to bond funds
- Written authorization will be obtained before charging salaries & benefits to bond funds as appropriate
- Make corrections to certain District employees' pensionable earnings found by CalPERS auditors to be inaccurate

Responsibility/Point

- Responsible: Vice Chancellor of Finance & Administration
- Point: Vice Chancellor for Department of General Services

Status

- District has reviewed all bond employees' job descriptions to ensure they are eligible to be charged to bond funds
- District has corrected GL coding related employee going forward
- Unauthorized FY2013-14 expenditures have been moved out of Bond Fund to General Fund

Evidence of Correction

- Reversal of erroneous charge(s) to Measure A
PERALTA COMMUNITY COLLEGE DISTRICT
CORRECTIVE ACTION PLAN 2014-15
2014-002 CITIZENS’ OVERSIGHT COMMITTEE MEETINGS

Corrective Action
• The District has an established Citizens’ Oversight Committee that is required to hold meetings yearly in accordance CA Ed Code Sections 15278 and 15280 as well as with Committee Bylaws, Section 6.1

Responsibility/Point
• Responsible: Vice Chancellor of Finance & Administration; Vice Chancellor for Department of General Services
• Point: Executive Director, Public Information, Communications & Media

Status
• The District's Citizens’ Oversight Committee meets yearly as required by statute and Committee Bylaws

Evidence of Correction
• http://web.peralta.edu/publicinfo/citizens-overight-committee/
### Corrective Action

- Comply with all provisions of CalPERS reporting guidelines for reporting of pensionable earnings
- Resolve all sixteen CalPERS audit findings by making corrections to certain District employees' pensionable earnings found by CalPERS auditors to be inaccurate

### Responsibility/Point

- Responsible: Vice Chancellor of Finance & Administration; Associate Vice Chancellor of Information Technology
- Point: Director of Payroll Services; Director of Enterprise Services

### Status

- Audit Resolution Working Committee consisting of Payroll, IT, Benefits, HR, Finance managers and technical staff collaborated to analyze root cause of problems, and brainstormed systemic solutions to eliminate past and future reporting errors
- Audit Resolution Working Committee implemented systemic solutions, and corrected all reporting errors requested by CalPERS auditor

### Evidence of Correction

- Letter from CalPERS Policy and Compliance Unit, dated May 18, 2015, informed District that all required actions have been satisfactorily completed, and District is now in compliance with Public Employees' retirement Law as they related to findings found in this audit.
- District awaits final approval of the last two corrections re-entered in July as requested by auditors (corrections had previously been lost in transmission)