

PERALTA COMMUNITY COLLEGE DISTRICT
ANALYSIS OF AUDIT PROCEDURES PERFORMED

Information provided by auditors					March 10, 2010 meeting			
Audit Area	Procedures Performed to date	Conclusion	Items Still Outstanding	District Document Requested		Timeline		
Payroll	Preliminary procedures have been performed	No conclusion at this time as the general ledger has not been provided to verify actual payroll expense	Testing of actual expenditures charged to the general ledger by fund	Detail general ledger for salary and benefit accounts for all funds	2 different approaches; historical information Sheryl is creating spreadsheet to journal this; future Sheryl is building specifications for future and giving to Minh to implement.	Adjunct will be available 2 weeks - team will meet to refine timeline	Everything but adjunct is available	2
Vacation Accrual	Reports of vacation accrual have been provided	No conclusion at this time as documentation of usage and accumulation of vacation accrual has not been provided	For selected employees the documentation of the usage of vacation during the year	For selected employees, vacation usage documentation	Reporting issues need to be worked out; Cory will send the banking information.	Ready now!!!!!! Waiting on sample from auditors for other than managers.	Everything is available; Heidi is sending additional testing to Cory	1
Bursar's Office	Procedures related to the College Bursar's Office procedures have been completed	No conclusion at this time as the general ledger has not been provided to verify actual revenue posted to the general ledger		Detail general ledger for revenue accounts	Work in progress for revenue detail	Dependent on student feeds	All cash has been transferred	3
Disbursements	Procedures related to specific contracts			Detail general ledger for expenditure accounts	Procedure is being worked on; W-9 not on file for vendors;	Ready now!!!!!!		1
Budget Monitoring	None to date	No conclusion has been reached as we have been unable to test the District's Budget Monitoring procedures	Detail general ledger supporting the 2008-09 budget	Detail general ledger showing final approved budget compared to actual revenue and expenditures by fund and by object code		Query for expenditures written; revenue side available in 2 weeks		2
Financial Statement Audit								
Fixed Assets	Auditors have made several attempts to audit the completed fixed assets. As of this point the fixed assets accounts have not been finalized and reviewed. Lead auditor has worked over the past 8 months with CIBER to complete the necessary audit procedures, but final reconciled reports have not been submitted	No conclusion can be formed at this point. Comments noted in prior year are currently not implemented	Completed and reviewed fixed asset reports have not been provided to the auditor.	Detail general ledger for equipment and construction accounts as well as calculation of depreciation expense	\$228,000 off at this point; looking for it; balance CIP \$4,000,000 in misc projects; Gallego has provided information to Jerry;	Spreadsheets should be ready within the next couple of days and forwarded to the auditors for input		2
Cash	See bursar's office testing for the testing of collections of cash, but no reconciliations have been provided and the transmittal of cash to the District has not been completed	No conclusion can be formed at this point	All Cash reconciliations needed to be provided. Supporting documentation for the transmittals of the cash to the district needs to be provided	All Cash reconciliations needed to be provided. Supporting documentation for the transmittals of the cash to the district needs to be provided	Bank reconciliations assigned to the district finance staff;	2 weeks for County reconciliation; outside county still needs updates		3
Accounts Receivable	No testing has been performed	No conclusion can be formed at this point		Detail general ledger report for accounts receivable balances as well as analysis of receipts to date in the 2009-10 fiscal year to test subsequent receipts.	Dependent on closing of the financials	Need to investigate further		3
Inventory	No testing has been performed	No conclusion can be formed at this point		Detail general ledger for inventory accounts in all funds as well as supporting documentation				2
Other Assets	No testing has been performed	No conclusion can be formed at this point		Detail general ledger for Other Asset accounts in all funds as well as supporting documentation				
Accounts Payable	Listing of Vouchers payable has been provided and selected items have been pulled for testing	No conclusion has been reached as we have been unable to trace tested accounts payable to the general ledger accounts. Additionally, subsequent disbursements for the 2009-10 year have not been tested.	Warrant register for the 2009-10 year has not yet been provided.	Detail general ledger report for the balances noted in the Accounts Payable accounts. The warrant register from July 1, 2009 through the audit date will be necessary to test subsequent disbursements		Warrant registers available;		1

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Deferred Revenue Other Items	No testing has been performed	No conclusion can be formed at this point		Detail general ledger report for the balances noted in deferred revenue accounts as well as supporting documentation for entries		Tied to the closing	3
Federal and State Categorical Grants	Auditor has obtained award letters for the majority of federal and state programs	No conclusion can be formed at this time	Auditor needs final financial data to complete the testing over federal revenue and expenses	Detail general ledger reports supporting the federal and state categorical revenue, expenditures and corresponding A/R, A/P and/or Deferred revenue. Completed SEFA and SESA for all federal and state programs		Tied to the payroll; not ready	3
320 Testing State Compliance	Auditor has completed majority of the testing over the 320.	Control deficiency was noted during testing. Mistakes were evident during testing	Questions over variances were provided to the client. Responses to these questions have not been returned.	Questions over variances were provided to the client. Responses to these questions have not been returned.	Jim G. has questions	Responses ready	1
50% Law	None performed, District has not provided the auditor with the calculation, nor the supporting documents for the calculation	No conclusion can be formed at this time	District's calculation of the 50% law and the supporting documentation for this calculation, including system generated reports showing compliance with the calculation	District's calculation of the 50% law and the supporting documentation for this calculation, including system generated reports showing compliance with the calculation		Dependent on closing	3
Instructional Service Agreements	District personnel has noted that there are no instructional service agreements	No conclusion can be formed at this time	Auditor must review the financial information once provided to verify that there were no transactions relating to instructional service agreement	Auditor must review the financial information once provided to verify that there were no transactions relating to instructional service agreements		No instructional services; ready	1
State General Apportionment Funding System	Auditor has audited the attendance reporting system and verified that the necessary elements are included in the 320 reporting	The District appears to be in compliance with State requirements	None noted	None noted		Nothing needed	
Residency Determination	Auditor has completed all necessary audit procedures of residency determination.	The District appears to be out of compliance related to residency determination, see comments	None noted	Response to comment needs to be completed		Ready for the auditors	1
Students Actively Enrolled	Auditor has completed all necessary audit procedures for Students Actively enrolled	The District appears to be out of compliance related to Students Actively enrolled, see comments	None noted	Response to comment needs to be completed		Ready for the auditors	1
Concurrent Enrollment	Auditor has completed all necessary audit procedures for Concurrent Enrolled Students	The District appears to be out of compliance related to Concurrent Enrollment, see comments	None noted	Response to comment needs to be completed		Ready for the auditors	1

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Use of Matriculation Funds	None performed, District has not submitted either of their four campuses matriculation report	No conclusion can be formed at this time	The four college campuses matriculation reports needs to be submitted and provided to the auditor	The four campus matriculation reports needs to be submitted and provided to the auditor		Reports are ready for the auditors	1
Gann Limit Calculation	None performed, District has not performed GANN Limit calculation as of field work date December 3, 2009	No conclusion can be formed at this time	CCFS-311 with the required calculation	The Districts calculation and supporting documentation needs to be provided to the auditor		Part of closing	3
Enrollment Fees	None performed the district has not been able to provide support for the enrollment fees, and the 323 report submitted to the state is inaccurate and not based on actual numbers	No conclusion can be formed at this time	CCFS-311 with the required calculation	The Districts calculation and supporting documentation needs to be provided to the auditor	Still working on the item type configuration; over 2000 item types updated; BOGG and misc. waivers need to be addressed	We can get the data for the auditors with a manual feed; data is there can be used for year end closing; Interface may need to hold off	3
Cal-Works	All necessary procedures have been performed over the Cal-Works compliance requirement	Compliance portion of the audit has been completed. At two campuses deficiencies in eligibility calculation were noted. For expenditure portion see comments	Detail of all cal-works expenditures needs to be provided to the auditor for testing.	Detail of all cal-works expenditures needs to be provided to the auditor for testing.		Ready for the auditors	1
Scheduled Maintenance	Auditors have completed all necessary audit requirements for schedule maintenance	District appears to be in compliance with all Scheduled maintenance requirements	None noted	None noted	[Hatched Area]		
Open Enrollment	Auditors have completed all necessary audit requirements for open enrollment	District appears to be in compliance with all open enrollment requirements	None noted	None noted			
Student Fees	Auditors have completed all necessary audit requirements for student fee compliance	District appears to be in compliance with all student fees requirements	None noted	None noted			
Auxiliary Accounts							
Trust Accounts	Auditor has made several visits to the separate campuses for the Trust account audits. Also testing of controls over the trust account has been performed.	College Campuses are unable to provide detail of activity for all accounts within the system (revenue and expense). Only ending numbers can be provided. Non-auditable detail.	Detail of transactions	Detail of transactions and support for activity incurred during the year for all trust funds needs to be provided to remove qualification of opinion.		Reports Available	1
Scholarship and Loan Accounts	Auditor has completed test work for the scholarship and loan accounts at the individual campuses. Testing of expenditures, revenue, and balance sheet accounts have been completed	Based on the college information the testing has been completed however, the District has provided final information with the year-end accounting detail in the past	Information needs to be provided by the District to corroborate the information provided at the campuses	Information needs to be provided by the district to corroborate the information provided at the campuses		Clarification needed from the auditors	0
Associated Students	Auditor has completed test work for the associated students accounts at the individual campuses. Testing of expenditures, revenue, and balance sheet accounts have been completed	The amounts at the college have been audited appear to be fairly stated.	Information needs to be provided by the district to corroborate the information provided at the campuses	Information needs to be provided by the district to corroborate the information provided at the campuses		Clarification needed from the auditors	0
Miscellaneous Audit Areas							
Bond Fund	No procedures have been performed. Detail listing of all bond expenditures has not been provided by the District.	No conclusion can be formed at this time	Detail listing of all expenditures in the bond fund	Detail general ledger of activity posted to the bond fund by object code	Jim G and Jerry will update us at a later date; records are there; need to reconcile Sadiq's information and what is in the books	Not reconciled; no date at this time.	3
Interfund Transfers	No procedures have been performed. Schedule of all Interfund transfers have not been provided by the district	No conclusion can be formed at this time	Schedule of all Interfund transfers needs to be provided by district	Detail schedule of all interfund transfers needs to be provided by district			3
Due To's/Due From	No procedures have been performed. Schedule of all Due to's/Due Froms have not been provided by the district	No conclusion can be formed at this time	Schedule of all Due to's/Due Froms transfers needs to be provided by district	Detail schedule of all Due to's/Due Froms transfers needs to be provided by district			3

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OPEB Accounting	No procedures have been performed. District has not provided necessary information	No conclusion can be formed at this time	All supporting documents for outstanding OPEB Bond, Interest Rate Swaps and general ledger accounting are needed. Reports from Pineapple Group that are submitted to the finance committee and all additional information.	All supporting documents for outstanding OPEB Bond, Interest Rate Swaps and general ledger accounting are needed. Reports from Pineapple Group that are submitted to the finance committee and all additional information.	Need to book the entries in the system based on the June 30 statements	One week ready for auditors	How much had been paid out of the district for the retiree benefits.

2

March 31 deadline; where do we send the letter requesting an extension?

District needs to do this; Heidi will provide us with the information; she will email it to Tom.
Single Audit Clearing House

Timeline as tight as we can!

Compliance Audit Area	Procedures Performed to date	Conclusion	Comments	Items Still Outstanding	
Financial Aid					Regent/safe & Peoplesoft
Reporting	None, District has not provided the Auditors with the FISAP for all campuses	No conclusion can be formed at this time		FISAP and support for all amounts within the FISAP	Judy Cohen & Judy Lamb, Susan Point: Judy Cohen
Matching, Level of Effort	Auditor has completed all necessary procedures related to matching requirements for SFA	District appears to be in compliance with requirements	None noted	None	
Eligibility	Auditor has visited all four campuses to verify the students receiving disbursements were actually eligible students	Control deficiencies were noted during the testing	Comments related to the items noted will be provided in a separate document	Responses to comments	Judy Cohen
Cash Management	None, District has not provided the auditors information pertaining to any drawdowns during the fiscal year	No conclusion can be formed at this time	None noted	Listing of dates and amounts for all draw downs and disbursement dates	Judy Cohen, Mary Beth Point: Susan
Activities Allowed	Auditor has completed all necessary procedures related to matching requirements for SFA	District appears to be in compliance with requirements	None noted	None	
Federal Work Study	Auditor has completed the majority of work within testing requirements of federal work study	Significant Deficiencies appear to be evident on the reporting of federal expenditures	Comments related to the items noted will be provided in a separate document	Responses to comments	Judy Cohen Point: Mary Beth

Laney provided, need to check with the other Sites
Need to receive the comments from the Auditors.
Need to receive the comments from the Auditors.

VTEA					
Expenditure Testing	Transactions have been selected for testing. Detail reports and supporting documents have not been provided	No conclusion can be formed at this time		Detail listing of all expenditures for the program. Including a listing of all employees charged to each program	Sheryl and Carmen
Equipment	Auditor has tested all equipment purchased to ensure they were appropriate for the program	No conclusion can be formed at this time. Significant Deficiency appears evident	Comments related to capital asset testing will impact this compliance area also	Listing of all equipment purchased through federal monies	Cory, Jerry Point: Sadiq
Suspension and Debarment	Auditor has tested all expenditures for vendors over \$25,000	District appears to be out of compliance related to suspension and debarment	District has not provided support for verifying that all vendors of which federal expenditures exceed \$25,000 are being verified as not being suspended or debarred. Also this information has not been added to contracts	Support for the implementation of this prior year finding. Contracts with the clauses or proof of the process for verifying vendors	John Banisadr, Carmen Point: Sadiq
Reporting	Auditor has tested some areas of compliance over reporting	A significant deficiency was noted, district submitted 2 out of 4 quarters past the due date	Auditor is unable to trace the final expenditure reports to the general ledger, due to the fact the district has not provided a final trial balance	Detail listing of all expenditures for the program	Carmen Point: Susan

Need to receive selection from the Auditors.
Need selected areas.

Tech Prep					
Subrecipients	Auditor was able to test a small number of the sub-recipient contracts	No conclusion can be formed at this time	None noted	Contracts for all sub-recipients and the amounts submitted to the entity. Also documentation of the districts procedure to ensure the sub-recipients is properly reporting the monies as federal	Carmen, Mary Beth Point: Wise
Suspension and Debarment	Auditor has tested all expenditures for vendors over \$25,000	District appears to be out of compliance related to suspension and debarment	District has not provided support for verifying that all vendors of which federal expenditures exceed \$25,000 are being verified as not being suspended or debarred. Also this information has not been added to contracts	Support for the implementation of this prior year finding. Contracts with the clauses or proof of the process for verifying vendors	John Banisadr, Carmen Point: Sadiq
Expenditure Testing	Auditor entered into the system and selected transactions for testing. Auditor has not been able to be provided a detail listing of all expenditures for this program	No conclusion can be formed at this time	Auditor selected expenses, but cannot determine if selection was made from complete listing of expenditures. Also the auditor will have to revisit all expenditures to ensure that all tested items still are being charged within the program due to the districts books not being closed.	Detail listing of all expenditures for the program. Including a listing of all employees charged to each program	Carmen Point: Susan



The auditors stated that summary posting to the general ledger will be excepted when the data is in a separate module, and the information from the separate module will be used as supporting documentation.

Need to get the chancellors office to get an extension for the federal compliance.

Tom is checking with Solano to identify where and how this needs to be done.

The auditors will work with the district in completing the audit, the date is flexible but the District needs to concentrate on getting it completed in a timely manner.

Heidi is bringing copies of things that have already been given to the District for the teams

Along with copies of items they have also received from the district

Auditors have not received any cash reconciliations as of this time.

District should contact Yvonne to find out where they are, as it was told to the team that they are completed for the 2008/09 fiscal year.

Heidi will email what she can to Mary Beth and Tom so they can forward the information to the team

Internal Auditor
Student Financial Lead
Sequal report writer
Bond Accountant
Lead for each module

Sadig suggested
Diane suggested
Mary Beth Suggested
Jim G suggested
Diane suggested