



CORRECTIVE ACTION MATRIX

**PERALTA COMMUNITY COLLEGE DISTRICT
CORRECTIVE ACTION MATRIX
PENDING ACTIONS**

Auditing/ Agency	Corrective Action	Responsibility/Point	Due Date	Status	Systematic/Source Integration
FINANCIAL STATEMENT FINDINGS					
2011-1 CONTROL ENVIRONMENT	Conduct ongoing training of personnel to help improve the internal control structure of the District with emphasis in areas such as financial aid accounting and college bursars office.	Responsible: Vice Chancellor For Finance & Administration Point: Associate Vice Chancellor of Finance	June 30, 2013	The District has begun the process of creating new policies and procedures which will strengthen the existing control environment.	In process – a comprehensive District-wide effort to review existing and create new Board Policies and Administrative Procedures is underway. This task is estimated to take over a year and will include financial aid and college bursars office procedures.
2011-2 (2010-8) CASH ACCOUNTS RECONCILIATIONS	Cash and Bank Accounts Reconciled Monthly	Responsible: Vice Chancellor For Finance & Administration Point: Associate Vice Chancellor for Finance	June 30, 2012	The District has implemented procedures calling for all cash accounts to be reconciled on a timely basis.	Completed. The District has implemented procedures that call for all bank accounts to be reconciled, reviewed and approved no later than 30 days following receipt of the bank statement. Ongoing monitoring and review of the implementation of this procedure is currently underway.
2011-3 (2010-10) CAPITAL ASSET ACCOUNTING	Identify and Train Personnel in Accounting of Capital Assets	Responsible: Vice Chancellor For Finance & Administration Point: Associate Vice Chancellor for Finance	June 30, 2011	The Vice Chancellor For Finance & Administration is identifying and having trained personnel in the accounting and recording of capital assets (Refer to VTD Audit	Completed. Training has occurred and the implementation of the capital asset accounting module was completed September 2011. Ongoing monitoring and evaluation is currently underway.

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<p style="text-align: center;">2011-4 (2010-15)</p> <p style="text-align: center;">ACCRUAL ACCOUNTS</p>	<p>Adequate Controls Over Year-End Closing Process. Training of District Staff on Accounting Principles.</p>	<p>Responsible: Vice Chancellor For Finance & Administration Point: Associate Vice Chancellor for Finance</p>	<p style="text-align: center;">June 30, 2012</p>	<p style="text-align: center;">Response)</p> <p>The PCCD will institute adequate controls and provide training to staff. (Refer to VTD Audit Response)</p>	<p style="text-align: center;">Completed.</p> <p>PeopleSoft training was conducted in December 2011 and additional training sessions are scheduled for January and February 2012. Further, fiscal year end closing checklists have been created and implemented.</p>
<p style="text-align: center;">2011-5 (2010-16)</p> <p style="text-align: center;">LOAD BANKING</p>	<p>Revise Policies to Conform with Current Internal Revenue Service (IRS) Section Regulations Regarding "Load Banking".</p>	<p>Responsible: Chancellor Point: Vice Chancellor For Finance & Administration and VC of HR</p>	<p style="text-align: center;">June 30, 2012</p>	<p>The PCCD is receiving annual load banking records to accrue the liability for year-end financial reporting. The PCCD policy will be modified to eliminate the employee's option of cashing out their balance in whole or in part to comply with the IRS regulations. PCCD will engage a meet and confer process. (Refer to VTD Audit Response)</p>	<p>Ongoing discussions with the faculty unions are in process to revise contract language to conform with IRS regulations. 6.30.12 – Language agreed upon with faculty union. Form being developed for implementation.</p>
<p style="text-align: center;">2011-6 (2010-19)</p>	<p>Review Guidelines for Receipt and Use of General Fund Monies</p>	<p>Responsible: Chancellor Point: Vice Chancellor For</p>	<p style="text-align: center;">June 30, 2012</p>	<p>The PCCD will review the current guidelines</p>	<p style="text-align: center;">Guidelines have been developed and distributed</p>

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COLLEGE BUSINESS OFFICE ACTIVITY	Deposited within the Accounts. All Activity Reconciled and Provided in a Timely Manner. Amounts within the Trust Fund Belonging to the District Forwarded to District with a Full Reconciliation and Accounting.	Finance & Administration		and all activity will be reconciled in a timely manner. Trust funds will be forwarded with a reconciliation and accounting. (Refer to VTD Audit Response)	to the campus business managers outlining timelines for forwarding funds to the District. Training with College Business Managers and staff is ongoing.
2011-7 (2010-22) EMPLOYEE CONTRACTS	Employment Contracts and Salary Increases are Approved and Accepted by the Chancellor within a Week of the Employee's Acceptance.	Responsible: Chancellor Point: VC of HR/Vice Chancellor For Finance & Administration	On-Going	The PCCD will ensure that employment contracts and salary increases are approved and accepted by the Chancellor within 30 days of Employee's acceptance. (Refer to VTD Audit Response)	Completed. All employment contracts are in place for fiscal year 2011-12.
2011-8 (2010-25) STUDENT FINANCIAL AID DISBURSEMENTS	Adopt, implement, and monitor procedures that will allow for the disbursement of payments to be completed in a way that mitigates the risk of unauthorized disbursements and ensures that payments are properly recorded (not through the use of trust accounts).	Responsible: Chancellor Point: Vice Chancellor for Finance and Administration and Vice Chancellor of Student Services	June 30, 2012	The District will develop and implement procedures and policies regarding all financial aid disbursements to ensure proper coding and discontinue the use of trust accounts within the financial aid disbursement process.	Completed – procedures developed and implemented. Further, analysis underway regarding utilization of PeopleSoft Student Financial Aid module.
2011-9 ACCOUNTING FOR RESTRICTED REVENUE	Correctly identify all restricted revenues by source (i.e. federal, state or local) and record appropriately within the general ledger.	Responsible: Vice Chancellor For Finance & Administration Point: Associate Vice Chancellor for Finance	June 30, 2012	The District will implement procedures to ensure that Federal and State revenues (grants) are accurately reported within the general ledger.	Development of Administrative Procedures and operating procedures are underway.

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CORRECTIVE ACTION MATRIX
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<p style="text-align: center;">2011-10 STUDENT ACCOUNTS RECEIVABLE</p>	<p>Create and implement procedures that separate the amounts owed to students due to overpayments from customary student receivables.</p>	<p>Responsible: Vice Chancellor For Finance & Administration Point: Associate Vice Chancellor for Finance</p>	<p style="text-align: center;">June 30, 2012</p>	<p>The District has ceased the practice of aggregating all student accounts and will develop a procedure where such amounts due to students are separately reflected within the financial statements and audit reports. (Refer to VTD Audit Response)</p>	<p>Completed. Procedure will be implemented during the fiscal year end to assure separation occurs (fiscal year end closing checklist).</p>
<p style="text-align: center;">2011-11 DISTRICT RECEIPTING</p>	<p>Implementation of procedures that will ensure that all receipts are being properly receipted, accounted for, and deposited in a timely fashion.</p>	<p>Responsible: Vice Chancellor For Finance & Administration Point: Associate Vice Chancellor for Finance</p>	<p style="text-align: center;">June 30, 2012</p>	<p>The District has completed the implementation of procedures that provides for the timely accounting and deposit of receipts.</p>	<p>Completed. Monitoring of the effectiveness of existing procedures underway.</p>
<p style="text-align: center;">2011-12 (Single Audit 2010-9) DRAW DOWNS</p>	<p>Adopt a Policy that Determines Procedures for drawing Down Federal Funds. Implement a Control to Ensure Proper Segregation of Duties over Drawing Down Funds and Verify Amounts are Reviewed and Approved.</p>	<p>Responsible: Vice Chancellor For Finance & Administration Point: Associate Vice Chancellor for Finance</p>	<p style="text-align: center;">December 31, 2011</p>	<p>The PCCD will adopt a policy/administrative regulation that establishes a procedure for drawing down Federal funds. A control will be implemented to ensure segregation of duties and amounts will be reviewed and approved. (Refer to VTD Audit Response)</p>	<p>Completed - Procedure created and implemented. Training ongoing.</p>

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FEDERAL AWARD FINDINGS					
2011-13 (Single Audit – 2010-01) SCHEDULE EXPENDITURES OF FEDERAL AWARDS (SEFA)/SCHEDULE OF EXPENDITURES OF STATE AWARDS (SESA)	Review Procedures and Format Over Collection of Data in the SEFA/SESA to Ensure it Includes All Required Elements.	Responsible: Vice Chancellor of Finance Point: Associate Vice Chancellor of Finance	June 30, 2012	The PCCD will review its procedures and format over the collection of data to be included in the SEFA/SESA. (Refer to VTD Audit Response)	The Office of Finance is addressing all SEFA/SESA requirements.
2011-14 (Single Audit – 2010-02) TIME AND EFFORT REPORTING	Develop Procedures and Controls Over Compliance, Specifying How Time Certification Processes are to be Completed.	Responsible: Vice Chancellor For Finance & Administration Point: Associate Vice Chancellor for Finance	June 30, 2012	The PCCD will assess the compliance risks to better develop appropriate compliance objectives and necessary controls. (Refer to VTD Audit Response)	Currently performed manually. The District released a Request for Qualifications seeking a vendor to assist with the implementation of the Time and Effort module within PeopleSoft. Implementation of this module will create and integrate within current business processes procedures and control for the collection of accurate data.
2011-15 (Single Audit – 2010-06) PROCUREMENT, SUSPENSION, AND DEBARMENT	Verify Entities Contracted with for Services are not Suspended or Debarred.	Responsible: Vice Chancellor For Finance & Administration Point: Associate Vice Chancellor for Finance	June 30, 2012	The District has implemented a procedure in which verification of the entities contracted with for services are not suspended, debarred, or	Completed - Procedure created and implemented. Training ongoing.

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<p style="text-align: center;">2011-16 (Single Audit – 2010-3)</p> <p style="text-align: center;">FINANCIAL REPORTING</p>	<p style="text-align: center;">Develop and Monitor Reporting Calendar to Document Timelines. Verify Actual Costs Recorded in the Financial System.</p>	<p style="text-align: center;">Responsible: Vice Chancellor For Finance & Administration Point: Associate Vice Chancellor for Finance</p>	<p style="text-align: center;">June 30, 2012</p>	<p style="text-align: center;">otherwise excluded from providing services.</p> <p>Reporting Calendar will be used to document timelines and monitor reporting timelines, including those for federal grants and programs. Reports will be reviewed to verify actual costs are recorded in the financial system.</p>	<p>Completed. The existing reporting calendar will be revised to incorporate the financial reporting requirements of federal grants and programs.</p>
<p style="text-align: center;">2011-17 (Single Audit – 2010-5)</p> <p style="text-align: center;">EQUIPMENT MANAGEMENT</p>	<p style="text-align: center;">Physical Inventory of the Federally Purchased Equipment taken Bi-Annually – Reconciled – Written Procedures Prepared on Inventory Controls – Safeguarded and Accounted For.</p>	<p style="text-align: center;">Responsible: Vice Chancellor of Finance Point: Director of Purchasing and Contracts</p>	<p style="text-align: center;">June 30, 2012</p>	<p>Physical Inventory has been taken on a bi-annual basis and reconciled with records of purchases of the equipment. Formal Board Policy and Administrative Procedures currently in the approval process.</p>	<p>A draft Board Policy and Administrative Policy has been developed that, among other things, specifically requires inventory observations on a bi-annual basis. These draft policies are currently going through the shared governance process. 2011 physical inventory completed with American Appraisal in June 2011.</p>
<p style="text-align: center;">2011-18 (Single Audit – 2010-8)</p> <p style="text-align: center;">RETURN TO TITLE IV</p>	<p style="text-align: center;">Accounting Policies Developed – Uniform Calculation Procedures – Routine Timelines – Reports Run in a Timely Manner and Provide</p>	<p style="text-align: center;">Responsible: Chancellor Point: Vice Chancellor For Finance & Administration and Vice Chancellor of</p>	<p style="text-align: center;">June 30, 2012</p>	<p>Accounting policies have been developed to provide uniform calculation procedures</p>	<p>Accounting and compliance policies and procedures are in the process of being</p>

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	Evidence that all Withdrawn Students are Identified and a Calculation Performed	Student Services		for each of the colleges. Records will include support that the reports are run in a timely manner.	implemented and communicated to all campuses.
<p style="text-align: center;">2011-19 (Single Audit – 2010-7)</p> <p style="text-align: center;">DIRECT LOANS</p>	Implement procedures to ensure that the School Account Statement data file and the Loan Detail records per the COD are reconciled to financial records.	Responsible: Chancellor Point: Vice Chancellor For Finance & Administration	June 30, 2012	With the migration to Federal Direct Loans (DL) the Financial Aid SAFE system is now the method for DL reconciliation; no outside mechanism is currently used; DL originations are submitted through SAFE, origination records are accepted, funds are disbursed through SAFE and reconciled directly to COD via FTP of SAFE DL files.	Completed. Reconciliation has been completed for 4 of the 4 colleges. Procedures and training for reconciliation of the remaining college will be completed in Spring of 2012.
STATE AWARD FINDINGS					
<p style="text-align: center;">2011-20 (2010-28)</p> <p style="text-align: center;">STUDENTS ACTIVELY ENROLLED</p>	Program Written to Allow Admissions and Records Office to Identify the Rosters that has not Properly Turned in by Instructors. Admissions and Records Office Follow-Up with Instructors on Requirements to Identify Students who are not Enrolled.	Responsible: Chancellor Point: Vice Chancellor of Educational Services, Vice Chancellor of Student Services and Vice Chancellor of Finance	June 30, 2012	Program will be written to allow Admission and Records Office to identify the rosters that have been turned in by the instructors to determine completeness and accuracy.	Training by Staff Development Coordinator of Faculty on correct use of rosters and grade reports. Regular follow up with instructional staff and administration on the campus.

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					Regular reports distributed to Presidents
2011-21 CONCURRENT ENROLLMENT	Update Admissions and Records system and processes so that all students are removed from concurrently enrolled status once the student reaches the age of 18 years. Exceptions will be handled on a case by case basis.	Responsible: Chancellor Point: Vice Chancellor of Educational Services	June 30, 2012	Changes have been made so that all students taking in excess of 11 units will be assessed all customary fees.	Meetings have been held with program managers with responsibilities over affected programs to educate them of state requirements.
2011-22 (2010-27) CALWORKS – REPORTING	Timelines of Required Categorical Reporting must be Documented and Sent to all Program Directors – Supervisory Personnel to Ensure Reporting is Complete and Accurate. General Ledger is Posted Timely and Accurately for all Categorical Programs to Ensure Accuracy of Reporting.	Responsible: Chancellor Point: Vice Chancellor of Educational Services	June 30, 2012	Documentation of categorical reporting will occur and will be forwarded to all program directors. Accurate and timely financial reports have been sent out on a monthly basis to supervisory personnel since Fall 2010.	Training of staff and Vice Presidents of Student Services on accurate collection of student data.
2011-23 EXTENDED OPPORTUNITY PROGRAMS AND SERVICES (EOPS)	Develop and implement procedures to review and identify EOPS students who are over the maximum number of units.	Responsible: Chancellor Point: Vice Chancellor of Educational Services	June 30, 2012	Training will be conducted reminding staff of state eligibility requirements and procedures are in the process of being developed that will ensure individual participating in the EOPS program do not exceed the state allowable number of units.	Procedures are in the process of being developed and communicated to all campuses.

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