2014 CORRECTIVE ACTION MATRIX

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| FINANCIAL STATEMENT FINDINGS | | | | | |
| 2014-001  DISTRICT FINANCIAL CONDITION | District currently has an active investment portfolio funded through the issuance of bonds and has earmarked funds held at the County Treasury for funding the OPEB obligation, but has not elected to place these assets in an irrevocable trust; therefore they cannot be used to offset the District OPEB obligation. The District is in the process of working with Bond Council to determine the amount of funds to transfer from the investment portfolio to an irrevocable trust. This amount will then be used as an offset to the OPEB liability, demonstrating continued financial stability. | Responsible:  Vice Chancellor For Finance & Administration  Retirement Board  Point: Vice Chancellor for Finance & Administration | March 2015 | **Status as of 2/02/2015**  In Process:  Actuarial study conducted with Report due to district in March 2015. Results from this report will determine the amount needed in the irrevocable trust. Worker’s Compensation contribution will be adjusted to address the deficit fund balance in the Self-Insurance Fund. | Fiscal Oversight; prudently manage fiscal resources (E.3) |
| 2014-02  COMMON ORIGINATION AND DISBURSEMENT (COD) REPORTING  Repeat finding (Merritt) 2013-6 | The District will implement procedures to ensure that the student data is report to the COD within the required 30 calendar days. | Responsible:  College President; Associate Vice Chancellor of Student Services; Associate Vice Chancellor of Information Technology;  Point: Director of Financial Aid & Internal Auditor | March 2015 | **Status as of 2/18/2015**  **•** The District IT and Financial Aid Departments are working together to implement Department of Education’s Financial Student Aid(FSA)’s TD Client software that will enable automatic and timely reporting of Pell origination and disbursements. Project planning has been completed and documented; implementation is in progress.  **•** The District completed a plan to establish a district-wide Compliance Assurance Program (CAP) for its Financial Aid program. CAP will add an enhanced level of education, guidance, communication and oversight activities to its existing management oversight system. | Fiscal Oversight; enhance processes contained in administrative procedures (E.3)  With the enhanced features of Peoplesoft and the usage of TD client, all transmissions of Pell Origination and Disbursement records will be automated and scheduled on a weekly basis. |
| 2014-03  ELIGIBILITY AND SPECIAL TESTS  CAMPUS: MERRITT COLLEGE | The District implement procedures to ensure that the Return of Title IV funds calculation are done in a timely manner and that all funds owed are returned. | Responsible:  Associate Vice Chancellor Student Services, College Presidents  Point: Director of Financial Aid, Internal Auditor, & VP Student Services | March 2015 | **Status as of 2/18/2015**  **•** The compliance monitoring and district guidance provided by the District Financial Aid Director will continue, and additionally be further enhanced with the establishment of the Compliance Assurance Program(CAP).  **•**  Merritt College management is currently in process of acquiring adequate staffing for their Financial Aid office. | Fiscal Oversight; enhance communication between the District and the colleges; manage fiscal resources (E.3) |
| 2014-04  DIRECT LOAN RECONCILIATION  CAMPUS: LANEY AND MERRITT COLLEGE  Repeat finding  2013-8 (prior year included College of Alameda) | The District will 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. | Responsible: Associate Vice Chancellor Student Services  Point: Director of Financial Aid, VP of Student Services & Internal Auditor | March 2015 | **Status as of 2/18/2015**  **•** The District will continue to provide guidance and training to assist College Financial Aid Office personnel and management to perform the COD reconciliation process. The Internal Auditor and Director are developing guidelines to better ensure easier understanding and ultimately improved compliance with regulations.  **•** Merritt College management is currently in process of acquiring adequate staffing for their Financial Aid office. | Fiscal Oversight; manage fiscal resources; enhance communication between the District and the colleges (E.3) |
| 2014-05  SPECIAL TESTS AND PROVISIONS – ENROLLMENT REPORTING | The District implemented procedures to ensure that the SSCR enrollment status files are submitted timely to the NSLDS. | Responsible:  Associate Vice Chancellor of Student Services, Associate Vice Chancellor of Information Technology  Point: Director of Financial Aid & Internal Auditor | March 2015 | **Status as of 2/18/2015**  **•** Data covering the period from Sept 2013 to mid-June 2014 has been submitted to our third party vendor-National Student Clearing House. The latest submission of enrollment status files occurred on 2/02/2015.  **•** The District’s Audit Resolution Steering Committee has established an IT and District A&R work group who are currently working to resolve the PeopleSoft reporting system problems.  **•** The District is also in the process of procuring a consultant with expertise in implementing student records systems to assist with the resolution of any remaining PeopleSoft reporting system issues. | Strengthen Accountability, Innovation and Collaboration; expand the use of technology (D.4) |
| 2014-06  EQUIPMENT MANAGEMENT | Written procedures should be prepared that provide evidence of appropriate controls over inventory. The inventory results should be assessed by appropriate administrators to ensure that equipment purchased through the Federal programs is safeguarded and accounted for. | Responsible: Vice Chancellor of Finance and Administration  Point: Director of Purchasing & Internal Auditor | March 2015 | **Status as of 2/18/2015**  **•** The Purchasing Department with assistance from the Internal Auditor is currently developing written procedures and instructions that will help ensure appropriate controls over the safeguarding and recording of equipment inventory.  **•** Controls over equipment sent directly to colleges will be also reviewed for adequacy to ensure proper accounting and safeguarding. | Fiscal Oversight; enhance communication between the District and the Colleges; prudently manage fiscal resources (E.3) |
| 2014-07  TIME AND EFFORT REPORTING | Revise procedures and controls over compliance, specifying how and when time certification processes are to be completed. | Responsible: College Presidents; Vice Chancellor for Finance & Administration  Point: Internal Auditor | March 2015 | **Status as of 2/18/2015**  Internal Auditor has been working with the District Grants Administrator to establish a Compliance Assurance Program (CAP) that will include site training, College compliance self-assessments | Fiscal Oversight; enhance communication between the District and the colleges; manage fiscal resources (E.3) |
| 2014-08  CARE ADVISORY COMMITTEE MEETING  CAMPUS: College of Alameda | CARE program director to ensure the advisory committee is in place and meets as required by the program guidance. | Responsible:  College President  Point: CARE Program Director | October 2014 | **Status as of 2/02/2015**  Two combined (EOPS and CARE) advisory committee meetings have been scheduled for 2014-15 | Fiscal Oversight; enhance processes contained in administrative procedures (E.3) |
| 2014-09  425 RESIDENCY DETERMINATION FOR CREDIT COURSES  Repeat finding  2013-10  (Similar) | Implement the process to actively monitor residency changes made at the colleges ensuring that proof of the change is collected and sent to the district office. | Responsible: Associate Vice Chancellor Student Services  Point: Associate Vice Chancellor Student Services & Internal Auditor | March 2015 | **Status as of 2/18/2015**  A query identifying students whose residency has been changed has been created. This list will be provided to each College for them to verify the change in status and to submit the documentation to the District for appropriate record keeping. | Strengthen Accountability, Innovation and Collaboration; expand the use of technology (D.4) |
| 2014-10  491 EDUCATION PROTECTION ACCOUNT | When expensing the charges to the Education Protection Account, the District will only move instructional charges, not including the cost of the department chairs. | Responsible: Vice Chancellor for Finance and Administration  Point: Director of Fiscal Services & Internal Auditor | June 30, 2015 | **Status as of 2/18/2015**  The questioned costs are for department chair salaries paid to employees. These are not administrative costs; however, future department chair salaries will not be moved to EPA funds. | Fiscal Oversight; prudently manage fiscal resources (E.3) |
| MEASURE A GENERAL OBLIGATION BOND FINDINGS | | | | | |
| 2014-001  MEASURE A GO BOND FUND EXPENDITURES | Regularly review all Bond employees’ job description to ensure that they are required to be paid by Bond fund. Written authorization will be obtained before charging salaries & benefits to Bond Projects. The unrestricted General Fund will meet its obligation to repay the Bond fund for noncompliant expenditures. | Responsible:  Vice Chancellor For Finance and Administration  Point: Vice Chancellor for Department of General Services | March 2015 | **Status as of 2/18/2015**  **Completed**  • District has reviewed all Bond employees’ job description to ensure they are all still required to be paid from Bond funds.  • District has corrected GL coding related to the affected employee going forward.  • The unauthorized FY2013-14 expenditures has been moved from Bond fund to General Fund in FY2014-15. | Fiscal Oversight; prudently manage fiscal resources (E.3) |
| 2014-002  CITIZENS’ OVERSIGHT MEETINGS | The District will establish regular, quarterly meetings of the Citizens’ Oversight Committee and provide the agenda and minutes on the website. | Responsible:  Vice Chancellor For Finance & Administration  Point: Executive Director, Public Information, Communications & Media | June 2015 | **Status as of 2/18/2015**  **Completed**  The District has been contacting the Citizens’ Oversight Committee to schedule meetings. One meeting has already been held (On Feb. 4, 2015)  Need minutes to be posted on Peralta Website | Fiscal Oversight; prudently manage fiscal resources (E.3) |
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