

FINANCIAL AUDITS

*Reference: Education Code Section 84040(b) and 81644;
ACCJC Accreditation Standard III.D.7*

On or before May 1 of the fiscal year preceding the fiscal year to be audited, the Governing Board shall approve the selection of an auditor who shall be a certified public accountant licensed by the California State Board of Accountancy.

An auditing firm's contract shall be for no longer than five years. The audit shall include all funds under the control or jurisdiction of the College District. The audit shall identify all expenditures by source of funds and shall contain the following:

- A. A statement that the audit was conducted pursuant to standards and procedures developed in accordance with Education Code §84040.5 and Title 5, §59102.
- B. A summary of audit exceptions and management recommendations.

Audit reports for the preceding fiscal year must be submitted to the state Chancellor's Office by December 31. The Planning and Budget Committee will receive the audit prior to the Governing Board presentation. Under normal circumstances the audit report will be submitted to the Governing Board for information in December before submission to the Chancellor's Office, but there may be years when the submission to the Governing Board will be delayed.

The Superintendent/President or Vice President for Business and Financial Affairs, may call for a special audit whenever the best interest of the College District will be served. The Vice President for Business and Financial Affairs, and his/her designee may independently spot-audit any College District account, including student organization and bookstore accounts and the revolving cash funds. Audit adjustments must be recorded in the accounting system and are to be reflected on the subsequent year's CCFS-311.

The audit shall be posted on the College District's web site after it has been submitted to the Chancellor's Office.

Office of Primary Responsibility: Vice President for Business and Financial Affairs