

Required Evidentiary Documents for Financial Review

Supplemental Guidelines for Standard III.D

Commission questions	Evidence
	California Public
Has the college received any qualified or adverse opinions in audit reports in the last 3 years from district, state or federal programs?	Audit Report (last 3 years)
Has the college implemented all audit recommendations? Have there been the same recommendations for more than one year? What is the auditor's response to the management actions taken?	Management response to auditor's findings and recommendations (last 3 years) CCFS 311 (last 3 years)
What is the institution's unrestricted fund balance and reserves and how has it changed over the last three years?	CCFS 311Q (Most recent quarter) Fiscal Trend Analysis of 311 Data (Can be accessed online at CCCCCO web site.)
Has the State Chancellor's Office had to intervene regarding fiscal stability or compliance?	
Does the college have long term debt financing?	Audit Report
Does the institution have an obligation for post retirement health benefits? If it does, has it done the actuarial study and identified the liability? Is there a plan for funding it?	Actuarial study for post retirement health benefits. Plan for funding the liability
Does the institution have limits on accrual of unused vacation time? Compensatory time? Is the institution enforcing its policy on limits?	Leave Accrual Policy in Contractual Agreement and Labor Agreements Human Resource Records
Is the fiscal entity self insured for health benefits, workers compensation, and unemployment? How are reserve levels set?	District Self Certification
Does this fiscal entity have obligations for future total compensation expenditures driven by collective bargaining agreements or other agreements (corporate buy outs, management/employee agreements, etc?) If so, what are they? Of what significance are they? What is the plan for funding these future obligations?	Current Bargaining agreements District Funding Plan
Does the institution and the foundation have an agreement/contract on the role of the foundation? Does it require that the foundation have an independent audit?	Copy of the Agreement Copy of Foundation audited financial statement (last 3 years)
Does the college or district have a Prop 39 bond fund?	Copy of minutes from Bond Oversight Committee Copy of audit report from the last 3 years
Does the college have policies and procedures regarding purchasing? Are they being followed?	Self Certification Policies
Will additional buildings be opened in the next 2-3 years? Is there a plan to fund staff, utilities and operating expenses associated with additional facilities coming on-line within the next 2-3 years?	Copy of the most current Facility Master Plan Funding Plan
Is there evidence that planning integrates fiscal and other resources?	Internal documents

Required Evidentiary Documents for Financial Review

Supplements Guidelines for Standard III.D

	Evidence
Commission questions	Hawaii Public
Has the college received any qualified or adverse opinions in audit reports in the last 3 years from district, state or federal programs?	Audit Report (last 3 years)
Has the college implemented all audit recommendations? Have there been the same recommendations for more than one year? What is the auditor response to the management actions taken?	Management response to auditors findings and recommendations (last 3 years) Quarterly reports with variances from budget with analysis
What is the institution's unrestricted fund balance and reserves and how has it changed over the last three years?	Schedule of 3 year Financial Trends and Analysis
Has the University had to intervene regarding fiscal stability or compliance?	Schedule of 3 year Financial Trends and Analysis
Does the college have long term debt financing?	State covers G.O. bond debt service. However, it may authorize campuses to issue revenue bonds.
Does the institution have an obligation for post retirement health benefits? If they do, have they done the actuarial study and identified the liability? Is there a plan for funding it?	Retirement and health benefit fund administered by the state
Is the fiscal entity self insured for health benefits, workers compensation, and unemployment? How are reserve levels set?	N/A
Does the institution and the foundation have an agreement/contract on the role of the foundation? Does it require that the foundation have an audit?	Copy of the Agreement Copy of Foundation audited financial statement (last 3 years)
Does the district have a Prop 39 bond?	
Does the college have policies and procedures regarding purchasing? Are they being followed?	Self Certification Policies
Will additional buildings be opened in the next 2-3 years? Is there a plan to fund staff, utilities and operating expenses associated with additional facilities coming on-line within the next 2-3 years?	Copy of the most current Facility Master Plan. Funding Plan

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Commission questions	Evidence
	Pacific Islands
Has the college received any qualified or adverse opinions in audit reports in the last 3 years from district, state or federal programs?	Audit Report (last 3 years)
Has the college implemented all audit recommendations? Have there been the same recommendations for more than one year? What is the auditor's response to the management actions taken?	Management response to auditors findings and recommendations (last 3 years)
What is the institution's unrestricted fund balance and reserves and how has it changed over the last three years?	Schedule of 3 year Financial Trends and Analysis
Has the State or other oversight organization had to intervene regarding fiscal stability or compliance?	N/A
Does the college have long term debt financing?	Audit Report Long Term debt documents
Does the institution have an obligation for post retirement health benefits? If they do, have they done the actuarial study and identified the liability? Is there a plan for funding it?	
Does the institution have limits on accrual of unused vacation time? Compensatory time? Is the institution enforcing its policy on limits?	Personnel Policy Payroll Records
Is the fiscal entity self insured for health benefits, workers compensation, and unemployment? How are reserve levels set?	Insurance Policies on Workers Compensation. Policy on Health Benefits
Does this fiscal entity have obligations for future total compensation expenditures driven by collective bargaining agreements or other agreements (corporate buy outs, management/employee agreements, etc?) If so, what are they? Of what significance are they? What is the plan for funding these future obligations?	Notes to Audited Financial Statements Current Bargaining and/or Employment Agreements Funding Plan
Does the institution and the foundation have an agreement/contract on the role of the foundation? Does it require that the foundation have an independent audit?	Copy of the Agreement Copy of Foundation audited financial statement Audit Report (last 3 years)
Does the college have policies and procedures regarding purchasing? Are they being followed?	Policies on procurement. Questioned costs of the Audit Report and Schedule of Findings
Will additional buildings be opened in the next 2-3 years? Is there a plan to fund staff, utilities and operating expenses associated with additional facilities coming on-line within the next 2-3 years?	Copy of the most current Facility Master Plan. Funding Plan Appropriation law from State Government.
Is there evidence that planning integrates fiscal and other resources?	Internal documents

Required Evidentiary Documents for Financial Review

Supplemental Guidelines for Standard III.D

	Evidence
Commission questions	Private
Has the college received any qualified or adverse opinions in audit reports in the last 3 years from district, state or federal programs?	Annual Certified Audit Report (last 3 years)
Has the college implemented all audit recommendations? Have there been the same recommendations for more than one year? What is the auditor response to the management actions taken?	Management response to auditor's findings and recommendations (last 3 years)
What is the institution's unrestricted fund balance and reserves and how has it changed over the last three years?	Annual Audited Financial Statements, Statement of Stockholders' Equity, Stockholders Equity Note to Financial Statements, Amount of Retained Earnings
Has the State Chancellor's Office had to intervene regarding fiscal stability or compliance?	N/A
Does the college have long term debt financing?	Annual Audited Financial Statements, Note to Financial Statements dealing with Long-Term Debt
Does the institution have an obligation for post retirement health benefits? If they do, have they done the actuarial study and identified the liability? Is there a plan for funding it?	Annual Audited Financial Statements, Note to Financial Statements dealing with Commitments and Contingencies and/or Employee Benefit Plan
Does the institution have limits on accrual of unused vacation time? Compensatory time? Is the institution enforcing its policy on limits?	Review Annual Audited Financial Statements and inquire about accrued liabilities, review Accounting Policies and Commitments and Contingencies Notes to Financial Statements. Review company's employee handbook to ascertain vacation/Paid Time Off

<p>Is the fiscal entity self insured for health benefits, workers compensation, and unemployment? How are reserve levels set?</p>	<p>Review Employee Benefit Plan. Inquire of management if company is self insured or if Parent Corporation provides self insurance. Review commitments and contingencies Note to Audited Financial Statements</p>
<p>Does this fiscal entity have obligations for future total compensation expenditures driven by collective bargaining agreements or other agreements (corporate buy outs, management/employee agreements, etc?) If so, what are they? Of what significance are they? What is the plan for funding these future obligations?</p>	<p>Inquire of Management and obtain written acknowledgment from management as to the existence of any Employment Agreements or collective bargaining agreements with unions or other organizations. If so, obtain copies and review for future obligations and determine funding plans as necessary or required.</p>
<p>Does the institution and the foundation have an agreement/contract on the role of the foundation? Does it require that the foundation have an audit?</p>	<p>Generally there are no foundations involved with private companies. Inquiries should be made as to the ownership and funding arrangements with the parent corporation, if any. In addition, inquiry should be made as to arrangements for debt financing. Financial structures within private organizations often incorporate a combination of debt and equity sources of operating capital.</p>
<p>Does the district have a Prop 39 bond?</p>	<p>N/A</p>
<p>Does the college have policies and procedures regarding purchasing? Are they being followed?</p>	<p>A review of purchasing procedures should be conducted. There could be a purchasing procedures manual that should be reviewed; and there should be an accounting procedures manual and, if a purchase order system is being used, a procedural review should be conducted.</p>
<p>Will additional buildings be opened in the next 2-3 years? Is there a plan to fund staff, utilities and operating expenses associated with additional facilities coming on-line within the next 2-3 years?</p>	<p>A review should be conducted of the current and coming year's capital expenditure budget. In addition, a review of the coming year's financial and operating plan should be conducted. Depending on the time of year the review is being conducted, a comparison of budget to actual revenue and expense should be performed. This review can be a leading indicator of the viability of plans for the future.</p>