

**COMMUNITY COLLEGE DISTRICT OF ST. LOUIS  
ST. LOUIS COUNTY, MISSOURI**

**ST. LOUIS, MISSOURI**

**UNIFORM GUIDANCE  
SINGLE AUDIT REPORT**

**Year Ended June 30, 2016**

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**INDEPENDENT AUDITORS' REPORT ON  
INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Education  
Community College District of St. Louis  
St. Louis, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Community College District of St. Louis as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Community College District of St. Louis' basic financial statements and have issued our report thereon dated November 9, 2016.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Community College District of St. Louis' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances, for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses that we consider to be a material weakness. It is identified as item 2016-001.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Community College District of St. Louis' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Response to Finding**

The College's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The College's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*KPM CPAs, PC*

KPM CPAs, PC  
Springfield, Missouri  
November 9, 2016



## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Education  
Community College District of St. Louis  
St. Louis, Missouri

### **Report on Compliance for Each Major Federal Program**

We have audited Community College District of St. Louis' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Community College District of St. Louis' major federal programs for the year ended June 30, 2016. Community College District of St. Louis' major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

### **Management's Responsibility**

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for Community College District of St. Louis' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Community College District of St. Louis' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on Community College District of St. Louis' compliance.

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## **Opinion on Each Major Federal Program**

In our opinion, Community College District of St. Louis complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2016.

## **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2016-002 and 2016-003. Our opinion on each major federal program is not modified with respect to this matter.

Community College District of St. Louis' response to the noncompliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Community College District of St. Louis' response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## **Report on Internal Control Over Compliance**

Management of Community College District of St. Louis is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Community College District of St. Louis' internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the College's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Board of Education  
Community College District of St. Louis  
St. Louis, Missouri

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2016-002 and 2016-003, that we consider to be significant deficiencies.

Community College District of St. Louis' response to the internal control over compliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. Community College District of St. Louis' response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

#### **Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance**

We have audited the financial statements of the business-type activities and the remaining fund information of the College, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the College's basic financial statements. We issued our report thereon dated November 9, 2016, which contained an unmodified opinions on the financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedurs applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*KPM CPAs, PC*

KPM CPAs, PC  
Springfield, Missouri  
November 9, 2016

COMMUNITY COLLEGE DISTRICT OF ST. LOUIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2016

Federal Grantor Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor's Number	Passed-through to Subrecipient	Federal Expenditures
<u>U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT</u>				
Passed Through Georgetown University USAID Foreign Assistance for Programs Overseas	98.001	SLCC-RX2050-705-13J	\$ -	\$ 19,576
TOTAL U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT				- 19,576
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
Passed Through Missouri Department of Economic Development Temporary Assistance for Needy Families	93.558	42-20-46-14	-	264,550
Passed Through St. Louis Agency on Training and Employment Temporary Assistance for Needy Families	93.558	695.15 695.16	- -	50,911 213,749
				- 529,210
Passed Through Missouri Department of Elementary and Secondary Education Child Care and Development Block Grant	93.575	1601MOCCDF	-	16,238
Passed Through Missouri Department of Health and Senior Services Assistance Program for Chronic Disease Prevention and Control	93.945	AOC16380058	-	32,204
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				- 577,652
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Direct				
Student Financial Assistance Cluster				
Federal Pell Grant Program	84.063	N/A	-	26,998,000
Federal Supplemental Educational Opportunity Grants	84.007	N/A	-	832,966
Federal Work-Study Program	84.033	N/A	-	608,735
Federal Direct Student Loans	84.268	N/A	-	7,397,945
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER				- 35,837,646



COMMUNITY COLLEGE DISTRICT OF ST. LOUIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)  
Year Ended June 30, 2016

Federal Grantor Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor's Number	Passed-through to Subrecipient	Federal Expenditures
Trio Cluster				
Trio-Upward Bound	84.047	N/A	-	295,355
Trio-Student Support Services	84.042	N/A	-	589,986
TOTAL TRIO CLUSTER			-	885,341
Predominately Black Institutions Formula Grant	84.031P	N/A	-	361,673
Predominately Black Institutions Competitive Grant	84.382A	N/A	-	267,516
Child Care Access Means Parents in School Grant	84.335A	N/A	-	309,111
Passed Through Missouri Department of Elementary and Secondary Education				
Adult Education (AEL) - State Grant Program	84.002	-	-	145,264
Vocational Education - Grants to States	84.048	V048A150025	-	803,074
TOTAL U.S. DEPARTMENT OF EDUCATION			-	38,609,625
<u>ENVIRONMENTAL PROTECTION AGENCY</u>				
Direct				
Environmental Workforce Development and Job Training Cooperative Agreement	66.815	N/A	-	60,251
TOTAL ENVIRONMENTAL PROTECTION AGENCY			-	60,251
<u>NATIONAL SCIENCE FOUNDATION</u>				
Direct				
Education and Human Resources	47.076	N/A	-	94,038
TOTAL NATIONAL SCIENCE FOUNDATION			-	94,038
<u>U.S. DEPARTMENT OF LABOR</u>				
Direct				
Trade Adjustment Assistance Community College and Career Training Grants (TAACCCT)	17.282	TC-23785-12-60-A-29 TC-25098-13-60-A-29	2,258,241 1,131,334	2,988,137 1,131,334
Passed Through Metropolitan Community College Trade Adjustment Assistance Community College and Career Training Grants (TAACCCT)	17.282	TC-26470-14-60-A-29	-	520,998
			3,389,575	4,640,469

COMMUNITY COLLEGE DISTRICT OF ST. LOUIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)  
Year Ended June 30, 2016

Federal Grantor Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-through Grantor's Number	Passed-through to Subrecipient	Federal Expenditures
Passed Through Missouri Department of Economic Development WIA Dislocated Worker National Demonstration Grant	17.280	MI-26834-15-75-A-29	-	7,132
Passed Through St. Louis Agency on Training and Employment WIA Cluster WIA/WIOA Adult Program	17.258	103-16	-	135,314
WIA/WIOA Dislocated Worker Formula Grants	17.278	103-16	-	124,602
Passed Through St. Louis County, Missouri WIA/WIOA Adult Program	17.258	5327	-	859,884
WIA/WIOA Dislocated Worker Formula Grants	17.278	5327	-	437,646
TOTAL WIA CLUSTER			-	1,557,446
Passed Through St. Louis County, Missouri WIA National Emergency Grants	17.277	5327	-	57,900
TOTAL U.S. DEPARTMENT OF LABOR			3,389,575	6,262,947
<u>U.S. DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT</u>				
Passed Through City of St. Louis, Missouri Community Development Block Grants	14.228	CDBGD-2	-	20,745
TOTAL U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT			-	20,745
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Passed Through Missouri Department of Health and Senior Services Child and Adult Care Food Program	10.558	3MO300305-2016	-	24,348
TOTAL U.S. DEPARTMENT OF AGRICULTURE			-	24,348
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 3,389,575	\$ 45,669,182

COMMUNITY COLLEGE DISTRICT OF ST. LOUIS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
June 30, 2016

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Community College District of St. Louis under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance. Because the Schedule presents only a selected portion of the operations of Community College District of St. Louis, it is not intended to and does not present the financial position, changes in net position, or cash flows of Community College District of St. Louis.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Expenditures reported in the Schedule are reported on the accrual basis of accounting, which is described in Note A to the College's basic financial statements.
2. Pass-through entity identifying numbers are presented where available.
3. The College elected not to use the 10% de minimis indirect cost rate.

NOTE C – SUBRECIPIENTS

The College provided \$3,389,575 in Trade Adjustment Assistance Community College and Career Training Grant funds to subrecipient entities during the current year as follows:

• Mo Man - ECC	\$ 197,629
• Mo Man - Linn State	416,401
• Mo Man - MCC	407,953
• Mo Man - Mineral Area	107,119
• Mo Man - NCMC	185,192
• Mo Man - OTC	106,853
• Mo Man - State Fair	218,054
• Mo Man - St. Charles	193,517
• Mo Man - MCCA	425,523
• Mo Man - MS River Consortium	<u>1,131,334</u>
	<u>\$ 3,389,575</u>

COMMUNITY COLLEGE DISTRICT OF ST. LOUIS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)  
June 30, 2016

NOTE D – LOAN PROGRAMS

The College participates in the Federal Direct Student Loan Program, which provides federal loans directly to the students rather than through private lending institutions. The College is responsible only for the origination of the loan (e.g., determining student eligibility and disbursing loan proceeds to the borrower). The Direct Loan Servicer is then responsible for the overall servicing and collection of the loan. Accordingly, these loans are not included in the College's financial statements.

The amount reported on the schedule of expenditures of federal awards for the loan program represents the total value of the loans awarded and paid to the College's students during the year ended June 30, 2016.

COMMUNITY COLLEGE DISTRICT OF ST. LOUIS  
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2016

**Section I – Summary of Audit Results**

*Financial Statements*

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?                      X   yes           no
- Significant deficiency(ies) identified:                       yes      X   none reported

Noncompliance material to financial statements noted?

       yes      X   no

*Federal Awards*

Internal control over major federal programs:

- Material weakness(es) identified?                           yes      X   no
- Significant deficiency(ies) identified:                  X   yes           no

Type of auditor’s report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?

  X   yes           no

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.063, 84.007, 84.003, & 84.268	Student Financial Assistance Cluster
17.258 & 17.278	WIA Cluster
84.047 & 84.042	Trio Cluster
84.048	Vocational Education – Grants to States

Dollar threshold used to distinguish between type A and type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

       yes      X   no

**Section II – Financial Statement Findings**

FINDINGS - FINANCIAL STATEMENTS AUDIT

MATERIAL WEAKNESS

2016-001 Implementation of Government Accounting Standards Board (GASB) Statements

**Condition:** The College did not have sufficient internal controls to implement GASB Statement 45 during the required timeframe.

**Criteria:** Management is responsible for establishing and maintaining internal controls and for the fair presentation of the financial statements and related notes and required supplementary information in conformity with accounting principles generally accepted in the United States.

**Effect:** The financial statements were misstated and were not detected by the College's internal controls. Additionally, because of the required use of an actuary with GASB Statement 45 and lack of timely implementation, the cumulative effect of the net OPEB obligation cannot be determined.

**Cause:** The College's management has turned over since the implementation requirement of GASB Statement 45. The current management understands training is necessary to ensure that there is no breakdown in internal control allowing for a misstatement in the financial statements.

**Recommendation:** We recommend the College obtain the necessary level of knowledge to properly apply GASB accounting principles.

**Response:** There is no record to indicate why GASB 45 was not implemented during the required timeframe but the CFO, controller, and audit firm have all changed since the required implementation date of GASB 45. The current leadership is fully aware of the necessity to implement all applicable GASB statements. We will work to ensure proper staff training and notification of all necessary GASB changes and new requirements going forward.

**Section III – Findings Required to be Reported by the Uniform Guidance**

SIGNIFICANT DEFICIENCIES AND COMPLIANCE

U.S. Department of Education  
Student Financial Assistance Cluster  
CFDA Nos. 84.007, 84.033, 84.063 and 84.268  
Award year: 2015-2016

2016-002 Special Tests and Provisions - Enrollment Reporting

**Criteria:** The College is required to update changes in student enrollment status, report the date the enrollment status was effective, enter anticipated completion date, and submit changes electronically with the National Student Loan Data System (NSLDS) website in accordance with 34 CFR 682.610 and 34 CFR 685.309. Enrollment information must be reported within 30 days whenever attendance changes for students, unless a roster will be submitted within 60 days. Institutions are responsible for timely reporting, whether they report directly or via a third-party servicer.

**Condition:** The College did not have procedures in place to correctly report changes in student enrollment status within the required timeframe.

**Context:** A sample of 40 students revealed that enrollment status was not updated within the required timeframe for students. A non-statistical sampling methodology was used to select the sample.

**Effect:** The Department of Education may be making decisions on incorrect or outdated information.

**Cause:** The College did not have specific procedures in place to properly report or review reports provided by a third-party servicer to the NSLDS.

**Questioned Costs:** At the most, questionable costs would be interest accrued on the outstanding amounts of direct student loans which are insignificant, therefore there are no questioned costs.

**Recommendation:** We recommend the College implement procedures in order to strictly comply with the requirements of 34 CFR 682.610 and 685.309 as it relates to reporting required to the NSLDS. We further recommend that the College follow the guidance provided in the NSLDS Enrollment Reporting Guide and stay abreast of new guidance as published by the Department of Education.

**College Response:** The College has procedures in place to ensure change in enrollment status is being reported to the DOE via National Student Clearinghouse enrollment submissions. Since National Student Clearinghouse communicates their information with NSLDS, we ensure that we submit enrollment reports every 30 days.

STLCC utilizes a strict Operation Calendar with several UC4 processes scheduled, including the UC4 process for National Student Clearinghouse data transmission. The Registrar, Academic Affairs IT Lead, DBA, and the Procedure Automation Analyst are involved in this process to ensure that it does not go undone.

COMMUNITY COLLEGE DISTRICT OF ST. LOUIS  
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)  
Year Ended June 30, 2016

**Section III – Federal Award Findings and Questioned Costs** (continued)

SIGNIFICANT DEFICIENCIES AND COMPLIANCE

U.S. Department of Education  
TRIO Cluster  
CFDA Nos. 84.042 and 84.047  
Award year: 2015-2016

2016-003 Earmarking

**Criteria:** For each year of the project period for the Student Support Services (SSS) program, the College must serve at least the number of participants that the Secretary identifies in the *Federal Register* notice inviting applications for a competition (34 CFR section 646.32(a)).

**Condition:** For the grant periods 9/1/15 to 8/31/16 and 9/1/14 to 8/31/15, the College was required to serve 140 participants each period, however the College only served 99 and 115 participants, respectively, on one campus which provides the SSS program.

**Context:** A review of three locations found one location not meeting the minimum required served. A non-statistical sampling methodology was used to select the sample.

**Effect:** Per review of the listing of participants served during the grant period 9/1/15 to 8/31/16, the College reported serving 99 participants but was approved to serve at least 140 participants. Per the Annual Performance Report submitted to the Department of Education for the grant period 9/1/14 to 8/31/15, the College reported serving 115 participants but was approved to serve at least 140 participants. The College was not in compliance with the minimum number of participants to serve.

**Cause:** The College did not have specific procedures in place to properly serve the minimum number of participants in the SSS program.

**Questioned Costs:** The questionable costs are undeterminable and more likely than not would be clearly trivial, and therefore, there are no questioned costs.

**Recommendation:** We recommend the College implement procedures in order to strictly comply with the requirements of 34 CFR 646.32(a) as it relates to the number of participants to serve. We further recommend that the College follow the guidance provided in the *Federal Register* notice inviting applications for the SSS program, to ensure compliance.



COMMUNITY COLLEGE DISTRICT OF ST. LOUIS  
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)  
Year Ended June 30, 2016

**College Response:** In October 2016, the Dean of Student Development and Enrollment Management began the process of appointing two TRiO employees on a temporary basis to ensure the College is in compliance with the Federal Register. Permission was obtained from the TRiO/SSS Program Specialist (US Department of Education) for the Manager of Upward Bound to split her duties between two TRiO Programs and the SSS/TRiO Academic Advisor/Transfer Specialist to work on a plan to increase the number of SSS students. The Dean holds monthly meetings with both employees to obtain a recruitment and activity report to ascertain whether objectives are being met. As of December 16, 2016, the SSS/TRiO program is at 81.3% of its goal. Some of the activities scheduled are:

- Involve Campus Life in the Recruitment Process
- Continue with monthly recruitment outside of the Student Center
- Continue to email instructors in English and Math for the purpose of recruiting students
- Create a TRiO Ambassador committee made up of five students to assist with recruiting students
- Create a TRiO ad to be included in the Campus newspaper
- Continue with follow-up of alumni and current students
- Continue to offer TRiO Grant Award opportunities
- Closely monitor budget in order to provide services agreed upon
- New Student Orientations – Weekly workshops covering topics to enhance academic performances
- Continue with College tours – TRiO Transfer Workshops – Cultural Events and Career Information

This SSS/TRiO program will meet its goal of 144 students by March 2017.

COMMUNITY COLLEGE DISTRICT OF ST. LOUIS  
SCHEDULE OF PRIOR AUDIT FINDINGS  
Year Ended June 30, 2016

**Federal Award Findings**

2015-001 – Financial Statement Preparation

**Condition:** The College did not have sufficient internal controls over the reporting requirements of Government Accounting Standards Board (GASB) Statements No. 68 and 71 on pension accounting. During the audit we noted the College did not properly record the pension liability and related assets, deferred outflows and inflows of resources, expenditures and restatement of net position. An audit adjustment was required to reflect the proper amounts in the financial statements.

In addition, the related financial statement disclosures and required supplementary information were not properly completed and presented in accordance with accounting principles generally accepted in the United States.

**Auditor's Recommendation:** We recommend the College obtain the necessary level of knowledge to properly apply the GASB accounting principles.

**Status:**

The College has taken efforts to obtain additional training for accounting staff on the new GASB Statements.

**Federal Award Findings**

2015-002 – Student Financial Aid Cluster Special Tests and Provisions

**Condition:** The National Student Loan Data Systems (NSLDS) roster return yielded error reports that were not corrected and resubmitted within the required 10 days.

**Auditor's Recommendation:** We recommend that the College put a process in place to ensure enrollment statuses are accurately and timely reported to NSLDS.

**Status:**

NSLDS roster reporting within the required 10 days was corrected, however, enrollment statuses have not been corrected (see 2016-002).

COMMUNITY COLLEGE DISTRICT OF ST. LOUIS  
CORRECTIVE ACTION PLAN  
June 30, 2016

U.S. DEPARTMENT OF EDUCATION

Community College District of St. Louis respectfully submits the following corrective action plan for the year ended June 30, 2016.

Contact information for the individual responsible for the corrective action:

Mr. Paul Zinck, Vice Chancellor of Finance and Administration  
Community College District of St. Louis  
300 South Broadway  
St. Louis, MO 63102-2800

Independent public accounting firm: KPM CPAs, PC, 1445 E. Republic Road, Springfield, MO 65804

Audit Period: Year ended June 30, 2016

The findings from the June 30, 2016, Schedule of Findings and Questioned Costs – Major Federal Award Program are discussed below. The findings are numbered with the numbers assigned in the schedule.

## **FINDINGS – FEDERAL AWARD PROGRAM AUDIT**

### **SIGNIFICANT DEFICIENCIES AND COMPLIANCE**

#### **2016-002 Special Tests and Provisions - Enrollment Reporting**

*Recommendation:* We recommend the College implement procedures in order to strictly comply with the requirements of 34 CFR 682.610 and 685.309 as it relates reporting required to the NSLDS. We further recommend that the College follow the guidance provided in the NSLDS Enrollment Reporting Guide and stay abreast of new guidance as published by the Department of Education.

*Corrective Action Plan Taken:* The College has procedures in place to ensure change in enrollment status is being reported to the DOE via National Student Clearinghouse enrollment submissions. Since National Student Clearinghouse communicates their information with NSLDS, we ensure that we submit enrollment reports every 30 days.

STLCC utilizes a strict Operation Calendar with several UC4 processes scheduled, including the UC4 process for National Student Clearinghouse data transmission. The Registrar, Academic Affairs IT Lead, DBA, and the Procedure Automation Analyst are involved in this process to ensure that it does not go undone.

*Anticipated Completion Date:* December 31, 2016

**FINDINGS – FEDERAL AWARD PROGRAM AUDIT (continued)**

2016-003 Earmarking

*Recommendation:* We recommend the College implement procedures in order to strictly comply with the requirements of 34 CFR 646.32(a) as it relates to the number of participants to serve. We further recommend that the College follow the guidance provided in the *Federal Register* notice inviting applications for the SSS program, to ensure compliance.

*Corrective Action Plan Taken:* In October 2016, the Dean of Student Development and Enrollment Management began the process of appointing two TRiO employees on a temporary basis to ensure the College is in compliance with the Federal Register. Permission was obtained from the TRiO/SSS Program Specialist (US Department of Education) for the Manager of Upward Bound to split her duties between two TRiO Programs and the SSS/TRiO Academic Advisor/Transfer Specialist to work on a plan to increase the number of SSS students. The Dean holds monthly meetings with both employees to obtain a recruitment and activity report to ascertain whether objectives are being met. As of December 16, 2016, the SSS/TRiO program is at 81.3% of its goal. Some of the activities scheduled are:

- Involve Campus Life in the Recruitment Process
- Continue with monthly recruitment outside of the Student Center
- Continue to email instructors in English and Math for the purpose of recruiting students
- Create a TRiO Ambassador committee made up of five students to assist with recruiting students
- Create a TRiO ad to be included in the Campus newspaper
- Continue with follow-up of alumni and current students
- Continue to offer TRiO Grant Award opportunities
- Closely monitor budget in order to provide services agreed upon
- New Student Orientations – Weekly workshops covering topics to enhance academic performances
- Continue with College tours – TRiO Transfer Workshops – Cultural Events and Career Information

*Anticipated Completion Date:* March 2017