

Yavapai County Community College District

Audit Presentation
Year Ending June 30, 2008

Tuesday, February 17, 2009
1:00 PM

NOTICEABLY DIFFERENT

LarsonAllen™

CPAs, Consultants & Advisors
www.larsonallen.com

SAS 114 – Communications with those charged with governance

- Auditor responsibility
 - Opinion on fairness of presentation of financials
 - Audit Standards #104-111
 - Key controls: design/operation
 - Audit Standards #112
 - Control deficiencies: material/significant
 - Govt Auditing Standards (yellow book)
 - compliance/controls
- Scope/timing of the audit – planning/Audit Standard #99
- Other information accompanying the financial statements – auditor assumes no audit responsibility

SAS 114 – Communications with those charged with governance – cont'd

- Significant audit findings
 - Significant Accounting Policies
 - Consistent with 2007 + GASB#45
 - Accounting Estimates – reasonable/supported by calc's
 - Disclosures – adequate, clear, complete
 - No significant difficulties encountered in performing the audit
 - Financial staff competent
 - Financial staff conscientious
 - No corrected misstatements, however, there were two uncorrected misstatements (see slide 5)
 - No disagreements with management re: Fin. Stmnts.

SAS 114 – Communications with those charged with governance – cont'd

- No consultations with other independent accountants
- All issues discussed prior to retention of independent auditors were routine

Audit Results

- Clean (unqualified) opinion
- No adjustments proposed by the Auditor
- No Compliance Findings involving material impact to financial statements
- Uncorrected misstatements – Immaterial
 - Use tax not included in cost of capital assets for multiple years (\$63,000)
 - Unrecorded summer tuition revenue (\$250,000)

Management Letter

Material Weaknesses - control deficiencies involving amounts that are **material** to the financial statements

- **NONE**

Significant Deficiencies - control deficiencies involving amounts that are **less than material**, but **more than inconsequential** to the financial statements.

- **NONE**

Prior Year Finding

- Procurement issue noted during last years audit has been resolved.

Item for Discussion

Other Items for Consideration

- Perkin's Loans
 - Allowance for Perkin's Loans is not deemed necessary. As long as the College is performing the proper due diligence, the loans can be assigned to the gov't.
- Capital Assets
 - Use tax is not being including in the cost of capitalized assets.
 - Disposals not removed from the capital asset listing.
 - With the software conversion, it is recommended that the College take advantage of the situation and clean up the capital asset listing.

Single Audit Results (A-133)

- Due to finding in the prior year, the College was not allowed to be a low-risk auditee in the current year for Fed compliance purposes.
- Five findings noted in the current year
 - Insignificant items
 - Three of the items related to the Perkin's Loans and with the change of service providers in the 2009 fiscal year, these should be eliminated

New Standards

- Uniform Prudent Management of Institutional Funds Act (UPMIFA)
 - Doesn't apply to the College but the Foundation will need to implement it. May have an effect on future gifts the College receives from the Foundation.

Questions and Feedback

- We welcome any questions pertaining to the audit, the exit discussion, or other matters related to the engagement
- We appreciate the opportunity to serve as the auditors for Yavapai County Community College District and welcome any feedback relative to our performance

**Thanks for allowing us
to serve you!**