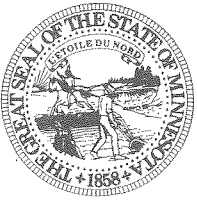


**COMMUNITY COLLEGE SYSTEM
AUSTIN COMMUNITY COLLEGE
FINANCIAL AND COMPLIANCE AUDIT
FOR THE THREE YEARS ENDED JUNE 30, 1987**

SEPTEMBER 1988



STATE OF MINNESOTA

OFFICE OF THE LEGISLATIVE AUDITOR

VETERANS SERVICE BUILDING, ST. PAUL, MN 55155 • 612/296-4708

JAMES R. NOBLES, LEGISLATIVE AUDITOR

Representative Phillip J. Riveness, Chairman
Legislative Audit Commission

Members of the Legislative Audit Commission

Dr. Gerald Christenson, Chancellor
Community College System

Members of the Community College Board

Mr. James D. Flannery, President
Austin Community College

Audit Scope

We have completed a financial and compliance audit of the Austin Community College (Austin) for the three fiscal years ended June 30, 1987, except for those programs and activities further described in the Scope Limitations section of this letter. Section I provides a brief description of Austin Community College's activities and finances. Our audit was made in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in the U.S. General Accounting Office Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, and accordingly, included such audit procedures as we considered necessary in the circumstances. Field work was completed on May 27, 1988.

We have issued two separate management letters to the Community College System, dated March 26, 1987 and March 15, 1988, which include the audit of major federal programs administered by Austin for the fiscal years ended June 30, 1986 and June 30, 1987, respectively.

The objectives of the audit were to:

- study and evaluate major Austin Community College internal accounting control systems, including a review of tuition receipts, payroll, disbursements, imprest cash, and federal student financial aid;
- verify that financial transactions were made in accordance with applicable laws, regulations, and policies, including Minn. Stat. Chapter 136, Community College Board policies and procedures, and other finance-related laws and regulations;
- evaluate the recording and reporting of financial transactions on the statewide accounting system; and
- determine the status of prior audit recommendations.

Representative Phillip J. Riveness, Chairman
Members of the Legislative Audit Commission
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Mr. James D. Flannery, President
Austin Community College
Page 2

Management Responsibilities

The management of Austin Community College is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, management makes estimates and judgments to assess the expected benefits and related costs of control procedures. The objectives of internal controls are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly.

Due to inherent limitations in any system of internal accounting control, errors or irregularities may occur and not be detected. Projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the degree of compliance with the procedures may deteriorate.

The management of Austin Community College is also responsible for the college's compliance with laws and regulations. In connection with our audit, we selected and tested transactions and records from the programs administered by Austin. The purpose of our testing of transactions was to obtain reasonable assurances that Austin had, in all material respects, administered their programs in compliance with applicable laws and regulations.

Scope Limitations

We did not audit major federal programs for the fiscal year ended June 30, 1985. Major federal programs were audited by a private CPA firm for that year. We did not review the work done by other auditors on the federal programs and have placed no reliance on their work.

As part of this audit, we evaluated internal controls and conducted certain compliance tests related to major federal programs at Austin for fiscal year 1988. Additional audit work will be done as part of our state-wide audit of the State of Minnesota's fiscal year 1988 financial statements and federal programs. Testing of these programs, including tests of student eligibility and compliance, will be completed after June 30, 1988.

Conclusions

In our opinion, except for the issues discussed in Section II, findings 1-7, the Austin Community College's system of internal accounting control in effect on May 27, 1988, taken as a whole, was sufficient to provide management with reasonable, but not absolute assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorizations.

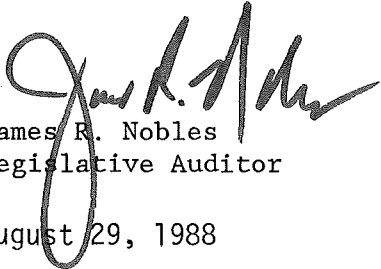
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Members of the Community College Board
Mr. James D. Flannery, President
Austin Community College
Page 3

In our opinion, subject to the effects, if any, of the federal programs which we did not audit as described in the Scope Limitations section of this letter, for the three years ended June 30, 1987, Austin Community College administered its programs in compliance, in all material respects, with applicable finance-related laws and regulations.

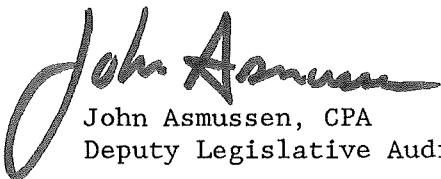
In our opinion, for the three fiscal years ended June 30, 1987, Austin Community College properly recorded, in all material respects, its financial transactions on the statewide accounting system.

The recommendations included in this audit report are presented to assist Austin Community College in resolving the audit findings and in improving accounting procedures and controls. We will be monitoring and reviewing Austin's progress on resolving these findings. Section III summarizes the progress made toward implementation on all audit recommendations discussed in our last audit report covering the year ended June 30, 1982, dated August 2, 1983.

We would like to thank the staff of Austin Community College for their cooperation during this audit.



James R. Nobles
Legislative Auditor



John Asmussen, CPA
Deputy Legislative Auditor

August 29, 1988

AUSTIN COMMUNITY COLLEGE

TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION	1
II. CURRENT FINDINGS AND RECOMMENDATIONS	2
III. STATUS OF PRIOR AUDIT RECOMMENDATIONS AND PROGRESS TOWARD IMPLEMENTATION	6
AGENCY RESPONSE	11

AUDIT PARTICIPATION

The following members from the Office of the Legislative Auditor prepared this report:

John Asmussen, CPA	Deputy Legislative Auditor
Jeanine Leifeld, CPA	Audit Manager
Cecile Ebacher Ferkul, CPA	Auditor-in-Charge
Judy Jensen, CPA	Staff Auditor
Linda Lochner	Staff Auditor

EXIT CONFERENCE

The findings and recommendations included in this report were discussed with the following staff of Austin Community College and the Community College System at the exit conference held on May 26, 1988:

James Flannery	President
Roger Boughton	Dean of Students
Sue Hagen	Director of Student Services
Tom Dillon	Director of Institutional Services
Jeff Higgins	Accounting Director
Shirley Earl	Financial Aid Director
Donna Caron	Personnel Director
Jeff Houdek	Registrar
Jim Harris	Community College System Internal Auditor

AUSTIN COMMUNITY COLLEGE

I. INTRODUCTION

Austin Community College is under the management and control of the Minnesota State Board for the Community Colleges and the immediate supervision of a president appointed by the Board. Mr. James D. Flannery, the current president, served as college president during the period covered by this audit.

Operations of the college are financed mainly by student tuition and fees, and state appropriations from the General Fund. Financial activities are accounted for through the statewide accounting system. Minn. Stat. Chapter 136 exempts certain community college activities from Department of Finance budgetary control, including the use of SWA. The majority of these activities, including federal financial aid programs and auxiliary enterprises, are accounted for through manual records and local bank accounts. These off-SWA activities are generally referred to as All College Fund activities. The All College Fund operates under policies and procedures established by the Board.

During fiscal years 1985-1987, Austin collected \$2,191,761 in tuition and spent \$8,916,486 for general operations through the statewide accounting system as follows:

<u>Fiscal Year</u>	<u>Tuition Receipts</u>	<u>Percent of Total System</u>	<u>General Operating Expenditures</u>	<u>Percent of Total System</u>
1985	\$ 747,414	2.8%	\$ 3,002,371	3.5%
1986	\$ 683,323	2.4%	\$ 3,022,623	3.3%
1987	\$ 761,024	2.5%	\$ 2,891,492	3.0%

The full time equivalent student enrollment for the school years covered by this audit, as recorded by the community college, was as follows:

<u>Quarter</u>	<u>1984-85</u>	<u>1985-86</u>	<u>1986-87</u>
Fall	701.1	595.0	636.8
Winter	655.2	585.4	610.0
Spring	570.3	597.1	605.5
Summer I & II	36.7	45.6	79.0

AUSTIN COMMUNITY COLLEGE

II. CURRENT FINDINGS AND RECOMMENDATIONS

1. Internal controls over tuition receipts need to be improved.

Austin collects over \$650,000 in tuition revenue each year. A major control over these receipts is the daily cash reconciliation, which is intended to verify that receipts are properly recorded and deposited. The reconciliation involves comparing the receipts collected to the daily cash reconciliation report generated by the on-line registration system through the Community College Board Office. In order to provide for proper separation of duties, the reconciliation should be performed by someone who is not otherwise involved in cash transactions. This is not the case at Austin, since the cashier also performs the daily cash reconciliation. The small staff at Austin precludes a complete separation of duties. However, at a minimum, the accounting officer should review and approve the reconciliation of tuition receipts. Without the involvement of another person, the ability for the cashier to overlook or conceal errors and irregularities is greatly increased.

In addition, the cashier has the ability to backdate entries on the on-line registration system. The cashier does this in cases where the posting is not done until after the date the payment is made. These entries do not appear on the daily cash reconciliation reports, increasing the potential for errors or irregularities to go undetected. Austin has the ability to lock the date on the registration system so that transactions cannot be backdated. As a result, the cash reconciliation report would include all transactions entered. This feature should be used.

RECOMMENDATIONS

- Tuition reconciliations should be performed or reviewed by someone independent of the cashiering function.
- The date on the registration system should be locked to prevent backdating of transactions.

2. Tuition receivables are not adequately controlled.

Tuition receivables are set up on the on-line registration system at the time that the student registers for classes. When the student makes a tuition payment, the cashier posts the payment to the student's account. The business officer can request from the board office a balance due report which lists the students who have outstanding account receivable balances. This report should be used to identify students who should be dropped from classes due to nonpayment of tuition. Austin's business officer does request this report several times toward the beginning of the quarter, but after that point he does not rely upon it as an accurate list of tuition accounts receivable. Instead, he maintains a manual file of the tuition accounts receivable. These accounts have not been aged or written off in accordance with Minn. Stat. Section 10.12.

AUSTIN COMMUNITY COLLEGE

The main reason why the on-line system is not utilized for accounts receivable is that the posting of tuition receipts is not kept current. Tuition that is received for a number of students at a time, such as from the Austin Area Technical Vocational Institute, or from the counties, may not be posted for weeks or months, if at all. As a result, the student's record on the system still shows an account receivable, although it does not in fact exist.

The on-line registration system is used by other community colleges to account for student tuition receivables. Timely posting of tuition payments should be a priority to ensure the integrity of this system.

RECOMMENDATIONS

- Austin should fully utilize the on-line registration system for monitoring and accounting for their accounts receivable.
- Austin should age outstanding tuition accounts and write off uncollectible accounts to properly reflect the tuition accounts receivable balance.
- Austin should post tuition paid to students' accounts on a timely basis.

3. The financial aid refund policy does not require that refunds be prorated back to the federal financial aid account in accordance with federal requirements.

Some students who withdraw from school are eligible to receive tuition refunds. However, for those students who received financial aid, the refunds must first be applied back to the college's financial aid accounts. Federal guidelines (34 CFR Ch. VI, Sec. 668.21) provide a formula for allocating the refund between the federal and state financial aid programs. The formula prorates the refund to the federal aid account based on the proportion of the federal aid to the total aid received by that student.

The current Austin refund policy does not allow for this proportional proration of tuition refunds. Rather, the policy calls for any refunds to first be applied "as a prepayment to any loans that are outstanding for that quarter. (National Direct Student Loan, Nursing Loan, and Guaranteed Student Loan.)" As a result of this policy, the federal financial aid programs may not receive their share of any refunds given.

RECOMMENDATION

- The financial aid refund policy should be changed to comply with the federal refund requirements.

AUSTIN COMMUNITY COLLEGE

4. PRIOR FINDING NOT RESOLVED: Imprest cash disbursements are not adequately documented nor properly authorized.

Austin is authorized by the Department of Finance to have a \$15,000 imprest cash checking account. Sufficient documentation and authorizations are not always obtained for payments made from this imprest cash account. In some cases, no documentation supporting the payment has been obtained. In other cases, purchase orders, internal requisitions, or invoices may not be on file. In still other cases, authorizations appear to have been received after the payment had been made.

Of the 168 imprest cash transactions tested during the audit period, 9 were not supported by any documentation. Thirty-four percent of the remaining transactions were not adequately supported. Purchase orders, requisitions and invoices were not always on file, and there was often no evidence that the expenditure actually occurred since there was no bill or receipt. In 41 percent of the transactions, there was either no evidence of proper authorization, or it was obvious that the authorization was obtained after the expense had been incurred.

Imprest cash disbursements are subject to the same authorization and documentation requirements as other expenditures. These controls include prior approvals for expenditures, use of purchase orders, evidence of receipt, and the use of a bill or invoice. There should be adequate documentation on file to support the accuracy and legitimacy of the transactions.

RECOMMENDATION

- Imprest cash disbursements should be properly authorized and documented before payment is made.

5. PRIOR FINDING NOT RESOLVED: Austin does not consistently use receiving reports.

Evidence of the receipt of goods is not always being obtained before invoices are paid. In a review of 33 recent purchases, 17 were not supported by a receiving report or other evidence. Receiving reports are required to verify and document that incoming merchandise has been received in good condition and according to specifications or that the service has been adequately performed prior to payment. It requires that the person opening and inspecting the goods compare what is received to what was specifically ordered. This provides assurance that payments are only made for properly completed transactions.

The Austin business office, in response to a memo from the Community College Board Office, dated December 10, 1987, has a policy requiring that receiving reports be completed upon the receipt of goods or services. The third copy of the internal purchase requisition can be used as the receiving report. A packing slip received with the merchandise can be

AUSTIN COMMUNITY COLLEGE

substituted for the purchase requisition. However, this policy has not been consistently followed.

RECOMMENDATION

- Austin should ensure that invoices are matched against packing slips or receiving reports before being paid, and that these documents are retained on file.

6. PRIOR FINDING NOT RESOLVED: There is no written agreement between the Austin Area Vocational Technical Institute and Austin Community College.

Since the fall quarter of 1984, students enrolled in certain programs at the Austin Area Vocational Technical Institute (AVTI) take some of their classes at Austin Community College. The students can register for classes either at the AVTI or Austin, but either way the tuition is paid at the AVTI. The AVTI must pay Austin for tuition paid to the AVTI for college classes.

Although staff from both the AVTI and Austin are in the process of developing written procedures to control this program, they have not entered into a formal agreement. The agreement should be signed by representatives from both the AVTI and Austin should address the costs to be charged, refund policies, and resolution process for disputed items. A formal agreement is essential for avoiding misunderstandings and disputes.

RECOMMENDATION

- Austin should enter into a written agreement with the AVTI which establishes policies for tuition, refunds, payment, and resolution of disputed items.

7. PRIOR FINDING NOT RESOLVED: Bookstore receipts are not deposited in a timely manner.

The Austin bookstore is an auxiliary enterprise which maintains its own bank account and accounting records separate from the statewide accounting system. It is under the control of the manager who is a part-time employee. Bookstore receipts are not always promptly deposited. During the school quarter, receipts are deposited once every work week. This is contrary to a community college board policy which requires daily depositing of receipts when they exceed \$250. Since the possibility of theft or loss increases when the receipts are kept on hand at the college, deposits should be made in accordance with this policy.

RECOMMENDATION

- Austin Community College bookstore receipts should be deposited in a timely manner, daily if exceeding \$250.

AUSTIN COMMUNITY COLLEGE

III. STATUS OF PRIOR AUDIT RECOMMENDATIONS
AND
PROGRESS TOWARD IMPLEMENTATION
Report Dated August 2, 1983

Accounting for imprest cash at Austin Community College needs to be improved.

1. Monthly reconciliations of total authorized imprest cash should be done. The reconciliations should be prepared accurately, provide adequate explanations for reconciling items, and should reconcile to the total authorized imprest cash amount. Procedures concerning the reconciliation should be detailed in writing.

RECOMMENDATION SUBSTANTIALLY IMPLEMENTED: Reconciliations to the total authorized imprest cash amount are now done each time reimbursement to the account is requested. This usually occurs two to four times a month. Although procedures concerning the reconciliation process have not been written, we found the current process to be sufficient.

2. The Austin CC imprest cash fund should be maintained within the authorized limits. Excess borrowing should be discontinued and any overages should be redeposited into the proper accounts.

RECOMMENDATION IMPLEMENTED: On January 21, 1988, the imprest cash limit was increased to \$15,000. This higher limit has greatly reduced the need to borrow from the auxiliary enterprise account. During fiscal years 1987 and 1988, the business office borrowed funds from the auxiliary enterprise account on four occasions. In all but one of these instances the funds were promptly returned.

3. Austin CC should ensure that there are adequate funds to cover all checks written out of the imprest cash checking account.

RECOMMENDATION IMPLEMENTED: In a review of fiscal year 1987 and 1988 bank statements, we found no instances of insufficient funds.

4. An accounts receivable system should be established to record all advances made from imprest cash and to monitor their repayment.

RECOMMENDATION IMPLEMENTED: Accounts receivable to the imprest cash account are now monitored on the statewide accounting reimbursement request.

5. All imprest cash disbursements should be properly documented, authorized, and approved, in accordance with Community College Board policies and Department of Finance policies and procedures.

RECOMMENDATION NOT IMPLEMENTED: See current finding #4.

AUSTIN COMMUNITY COLLEGE

6. Imprest cash duties at Austin CC should be segregated so that total control of the account does not rest with one individual.

RECOMMENDATION IMPLEMENTED: Duties are currently adequately segregated. Control over imprest cash expenditures is dependent upon the review and authorization of the second check signer.

The disbursement process at Austin Community College needs to be improved.

7. All requisition forms should be signed. Typed names should not be accepted.

RECOMMENDATION IMPLEMENTED: Since our last audit, procedures have been revised to require signatures on all requisition forms. Our testing indicates that this procedure is being followed.

8. Receiving reports should be used to verify that goods ordered were actually received. These receiving reports should be sent to the business office and matched against the invoice when it arrives.

RECOMMENDATION NOT IMPLEMENTED: See current finding #5.

9. Austin CC should make all vendor payments within the vendor's early payment discount period or if there is no discount period, within 30 days, in accordance with Minn. Stat. Section 16A.124.

RECOMMENDATION IMPLEMENTED: A review of vendor payments during fiscal years 1987 and 1988, shows that on the average 97 percent of Austin's vendor payments are now being made within 30 days.

Internal control over receipts needs to be improved.

10. Written procedures should be developed for the receipt process.

RECOMMENDATION WITHDRAWN. We found the receipts process at Austin Community College adequately documented. Systemwide receipt procedures are being prepared by the Community College Chancellor's Office.

11. All deposits prepared by the Austin CC account clerk should be reviewed and approved by the accounting officer.

RECOMMENDATION IMPLEMENTED. Starting with spring quarter 1985, the accounting officer reviews and approves deposits on a daily basis.

12. The cash register should be periodically closed out and the resultant deposit made by the accounting officer.

RECOMMENDATION IMPLEMENTED. The accounting officer closes out the cash register periodically on a random basis. This was implemented beginning spring quarter 1985.

AUSTIN COMMUNITY COLLEGE

13. Deposits into the state treasury should be reconciled to either the Receipts by Deposits Report or the Receipts by Appropriation Report as required by Finance operating procedures.

RECOMMENDATION IMPLEMENTED. The accounting officer reconciles deposits to the Receipts by Deposit Report on a monthly basis. This procedure has been done since spring quarter 1985.

A written agreement should be established between the Austin Area Vocational Technical Institute (AVTI) and Austin Community College.

14. Austin CC should enter into a written agreement with the AVTI which establishes policies for tuition, refunds, payment, and resolution of disputed items.

RECOMMENDATION NOT IMPLEMENTED: See current finding #6.

15. Austin CC should bill AVTI for tuition due on a timely basis.

RECOMMENDATION IMPLEMENTED. Billings during fiscal years 1987 and 1988, occurred within a reasonable period after the start of the quarter.

Internal control needs to be improved in the bookstore.

16. Written procedures should be developed which describe the tasks of the bookstore manager and provide detailed instructions for work-study students.

RECOMMENDATION IMPLEMENTED. The bookstore manager established procedures for both the manager position and the work-study students in the fall of 1985.

17. The accounting officer should randomly close the cash register, reconcile cash, and prepare monthly bank reconciliations.

RECOMMENDATION IMPLEMENTED. Since the spring of 1985, the accounting officer has done a random check on bookstore receipts several times during the year.

18. All bookstore receipts should be deposited daily.

RECOMMENDATION NOT IMPLEMENTED. See current finding #7.

Bookstore invoices should be voided upon payment.

19. All invoices should be voided upon payment to avoid duplicate payments.

RECOMMENDATION IMPLEMENTED. The review of disbursements during fiscal year 1988 concluded that all invoices are being voided by the bookstore manager to avoid any duplicate payments.

AUSTIN COMMUNITY COLLEGE

Purchase orders should be used for the bookstore purchases.

20. All bookstore purchases should be supported by a purchase order or a confirming purchase order.

RECOMMENDATION SUBSTANTIALLY IMPLEMENTED. Since 1985, the use of purchase orders has improved. Most purchases made for the bookstore were supported by purchase orders.

Cash reconciliation for the bookstore should include all cash-on-hand when buying used books.

21. The cash reconciliation procedures for the bookstore should be revised to ensure that all cash-on-hand is properly documented and reconciled.

RECOMMENDATION IMPLEMENTED. A new system for reporting all cash-on-hand was devised by the bookstore manager and the accounting officer. This new system was put into effect in the spring of 1986.

Vacation and sick leave for one Austin Community College employee was incorrectly accrued.

22. Austin CC should review and correct the leave balances of employees who were paid for less than 80 hours in a pay period and did not accrue vacation and sick leave accordingly per union contracts.

RECOMMENDATION WITHDRAWN. The adjustment was not made and the employee affected has since retired. Due to the implementation of the on-line payroll system, inaccurate leave accrual should no longer be a problem.

Documentation for and reporting of emergency loans at Austin CC should be improved.

23. Austin CC should establish written guidelines for emergency loans. These guidelines should outline the criteria which must be met before a loan is granted; determine maximum loan amounts, and establish repayment schedules.

RECOMMENDATION IMPLEMENTED. Guidelines have been established and were incorporated into the college's policies and procedures during spring quarter 1985.

24. All emergency loans granted by Austin CC should be supported by properly authorized promissory notes.

RECOMMENDATION IMPLEMENTED. The review of promissory notes used for the school year 1987-1988 indicated that notes are being used and properly authorized for emergency loans.

AUSTIN COMMUNITY COLLEGE

25. The total emergency loan accounts receivable should be reported on the All College Fund financial statements with a corresponding "Allowance for Doubtful Accounts" as deemed necessary.

RECOMMENDATION SUBSTANTIALLY IMPLEMENTED. Loans receivable on the financial statements are now shown net of an allowance for doubtful accounts.

Internal control over the Austin gasoline tank needs to be improved.

26. The gas log should be revised to include the beginning and ending meter readings on the pump, and it should be reviewed periodically by the accounting officer for reasonableness.

RECOMMENDATION IMPLEMENTED. The gas log was revised in 1985 to properly record issues and to better reflect unrecorded issues.

27. The amount of gasoline in the tank should be measured periodically and compared to the calculated amount of gasoline in the tank.

RECOMMENDATION IMPLEMENTED. Maintenance personnel and the accounting officer periodically measure the gasoline and review for reasonableness. This was implemented in June 1985.

28. The maintenance shed should be locked when unattended by authorized personnel.

RECOMMENDATION IMPLEMENTED. The maintenance shed is now kept locked when unattended.

Delinquent nursing loans at Austin Community College have not been actively pursued.

29. Austin CC should actively try to collect delinquent nursing loans.

RECOMMENDATION SUBSTANTIALLY IMPLEMENTED. Austin has sent most delinquent nursing loans to a collection agency for collection. This procedure was initiated in the fall of 1985.



1600 8TH AVE. N.W.
AUSTIN, MINNESOTA 55912
TELEPHONE 507-433-0505

August 29, 1988

Jeanine Leifeld
Audit Manager
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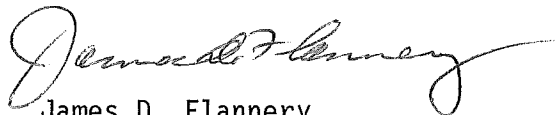
Dear Ms. Leifeld:

Following is a report responding to the findings of the audit completed May 27, 1988.

I was not aware that findings from the 1983 audit had not been implemented. I will be actively monitoring the seven findings and recommendations to see that the proposed remedy is being carried out.

We appreciate your candor and suggestions at the exit interview and expect to have the seven limitations well in hand in a short time. We are currently in the process of hiring a new Accounting Supervisor and will start him off on the right foot as soon as he is on board the middle of September.

Sincerely,


James D. Flannery
President

JDF:djc

cc: Dr. Gerald Christenson, Chancellor

II. Current Findings and Recommendations

1. Tuition Receipts

Recommendations:

- * tuition reconciliations should be performed or reviewed by someone independent of the cashiering function.

College Action: The Accounting Supervisor will reconcile the tuition deposits on an irregular basis at least four times per month during peak business periods and twice per month at low business periods.

- * the date on the registration system should be locked to prevent backdating of transactions.

College Action: The date will be locked by the Registrar to prevent backdating transactions.

2. Tuition Receivables

College Action: The Accounting Supervisor will utilize the system tuition receivable report to identify students who have not paid tuition and will not maintain a manual file. Receipts will be posted as received to maintain up-to-date records and files.

Students not paying within the designated time period, unless there are extenuating circumstances approved by the Student Services Director, will be dropped from registration. Uncollectible accounts will be written off by the end of the quarter.

3. Financial Aid Refund Policy

College Action: Austin Community College financial aid refund policy will conform to Federal guidelines on a prorated basis.

4. Prior finding. Imprest cash disbursements.

College Action: Imprest cash disbursements will be handled by proper authorization and documentation before payment is made.

5. Prior finding. Use of receiving reports.

College Action: The policy in effect will be followed. The person ordering goods will inspect and sign for receipt of the goods ordered. During the summer break, the Business Office will inspect packages and sign packing lists or invoices.

6. Prior finding. Written agreement with ATI and other cooperating institutions for payment of fees.

College Action: The Director of Student Services, in cooperation with other appropriate ACC personnel, will design a process that will handle these transactions, and then will develop a joint process with cooperating institutions by November 23, 1988.

7. Prior finding. Bookstore receipts.

College Action: Board policy will be adhered to.