CALIFORNIA
STUDENT AID
COMMISSION

REPORT ON
PROGRAM COMPLIANCE REVIEWS
FISCAL YEARS 2008-09 and 2009-10

February 25, 2011

This report has been prepared by the California Student Aid Commission pursuant to the requirements in the 2010-11 Budget Act Item #7980-001-0001 Provision #3.

> *Of the funds appropriated in Schedule (1), $850,000 is only available for the support of 7.0 audit positions and 1.0 audit supervisor position for the purpose of conducting program compliance reviews for institutions participating in the Cal Grant Program under Chapter 1.7 (commencing with Section 69430) of Part 42 of Division 5 of Title 3 of the Education Code and the Assumption Program of Loans for Education under Article 5 (commencing with Section 69612) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code, and other specialized grant programs as deemed necessary by the Student Aid Commission, with the objective of auditing higher risk institutions once every three years. The auditors shall emphasize verification of applicant eligibility, fund disbursements, and payment reconciliation. The Commission shall prioritize its review of institutions that have demonstrated noncompliance in prior audits. The Commission may also conduct compliance reviews of the California Student Opportunity and Access Program under Article 4 (commencing with Section 69560) of Chapter 2 of Part 42 of Division 5 of Tile 3 of the Education Code. The Commission shall report to the Legislature and the Department of Finance by September 30, 2010, on the institutions audited in the 2008-09 and 2009-10 fiscal years, the rate of noncompliance with each major program requirement, the amount of funding that was not expended in compliance with applicable requirements, the amount of funding repaid due to noncompliance, and the steps taken to address noncompliance.*

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EXECUTIVE SUMMARY

The California Student Aid Commission (Commission) is responsible for the effective oversight and efficient administration of Cal Grant Programs, Assumption Program of Loans for Education (APLE), Specialized Programs, such as, Child Development Grant Program (CD) and Law Enforcement Personnel Dependents Grant Program (LEPD), and the California Student Opportunity and Access Program (Cal-SOAP). This includes ensuring program integrity through compliance audits and reviews of the institutions participating in the programs. These reviews give the Commission a measure and process to safeguard the assets it has entrusted to the institution, to check the accuracy and reliability of the data submitted, and to ensure and protect the overall integrity of the Commission's programs.

The Commission uses a risk-based approach in selecting the institutions and student records for audit. The Commission's Cal Grant audit program includes High Risk and Low Risk audit reviews. The High Risk review emphasizes the verification of applicant eligibility, fund disbursement, and payment reconciliation and is applied to institutions with a high risk of material findings. The Low Risk review is a streamlined audit program centered on the most common areas of non-compliance and is applied to lower risk institutions.

The Commission's audit reviews of the APLE and California Community College Transfer Entitlement Cal Grant (E2) programs use a Low Risk review format. Institutions that are scheduled for an audit that participate in either the APLE or the E2 programs are audited separately. However, institutions participating in both the APLE and E2 are audited together as a combined review.

Child Development and LEPD participating institutions are audited simultaneously at the time of a scheduled Cal Grant audit.

Cal-SOAP audits are selected using a risk-based approach similar to that of the Cal Grant Programs.

From July 1, 2008 through June 30, 2010, two-hundred seventy-two (272) audits were in various stages of completion. The table below shows the number of audits being conducted within each audit type. Of the total institutions participating in the Cal Grant Program, 18% had audits closed during the 2008-09 fiscal year and 21% had audits closed during the 2009-10 fiscal year.

Audit Type	2008-09 Number of Audits	2009-10 Number of Audits	Total Audits
Cal Grant - High Risk	58	63	121
Cal Grant - Focused	16	13	29
E2	6	17	23
APLE	22	18	40
APLE/E2 (Combined)	22	34	56
Cal-SOAP	1	2	3
Total	**125**	**147**	**272**

In 2008-09, there were five Child Development institutions that were audited and no LEPD institutions that were audited.

In 2009-10, there were two Child Development institutions that were audited and four LEPD institutions that were audited.

An assessment of High Risk Areas of Review for the 2008-09 and the 2009-10 award years are demonstrated below:

High Risk Cal Grant Institutional Audits

Areas of Review	Award Year	
	2008-09	**2009-10**
Applicant Eligibility	61%	58%
Fund Disbursement	43%	49%
Accounting & Payment Reconciliation	61%	58%
More Than One Area	61%	60%

An assessment of Low Risk Areas of Review for the 2008-09 and the 2009-10 award years are demonstrated below:

Cal Grant Institutional Audits

Areas of Review	Award Year	
	2008-09	**2009-10**
Applicant Eligibility	17%	40%
Fund Disbursement	34%	20%
Accounting & Payment Reconciliation	34%	60%
More Than One Area	17%	20%

An analysis of the APLE, E2 and/or APLE/E2 (Combined) audits disclosed that at least 96% of the institutions audited are meeting institutional and applicant eligibility requirements as set forth by statutory requirements for the 2008-09 and 2009-10 award years.

An analysis of the CD and LEPD audits disclosed that 100 percent of the institutions audited are meeting all regulatory requirements for the 2008-09 and 2009-10 award years.

A review of the Cal-SOAP audits disclosed that the consortiums had a finding in one or more of the areas of review; including, internal control, general program requirements, and fiscal accountability for the 2008-09 and 2009-10 award years.

In order for an institution to resolve its audit finding, the institution is required to submit revised policies and procedures to the Commission. Upon approval, these revised policies and procedures must be implemented to ensure future program compliance. In addition, the institution must return ineligible funds, if any, upon receipt of the draft report. An audit that is considered final (closed) indicates that the institution met all required action set forth by the Program Compliance review.

INTRODUCTION

The California Student Aid Commission (Commission) is the state's principal provider of intersegmental statewide grant aid to postsecondary students. Founded in 1955 as the California State Scholarship Commission, the Commission's primary programmatic responsibilities include administration of the Cal Grant Program, the Chafee Grant Program and several targeted state scholarship and loan assumption programs. The Commission administers financial aid awareness and outreach programs, such as the California Student Opportunity and Access Program (Cal-SOAP) and Cash for College, in collaboration with business, private industry, and community-based organizations.

The Commission consists of 15 appointed members. Eleven members are appointed by the Governor and represent segments of the state's higher education community, postsecondary education students, and the general public. In addition, the Speaker of the Assembly and the Senate Rules Committee each appoint two Commission members as representatives of the general public.

In its policy decision-making, the Commission receives advice and recommendations from staff; advisory committees and ad hoc committees comprised of individuals that represent colleges and universities, secondary schools, student groups, the business community, lending institutions, and various levels of government. The Commission's strong tradition of public participation stems from its commitment to continuous improvement and responsiveness in the development and delivery of its financial aid programs and services.

The Commission administers the Cal Grant and Specialized Programs for the State of California. Below is a general description of Cal Grant and Specialized Programs:

Cal Grant A - assists with tuition and fees at public and independent colleges, and some occupational and career colleges. At the University of California (UC) and the California State University (CSU), the award covers up to full system-wide fees. Coursework must be for at least two academic years. There are two Cal Grant A awards: Entitlement and Competitive. A Cal Grant A award is held in reserve for students attending a California Community College (CCC) until they transfer to a four-year college. Awards are renewable for up to four years, with an additional year if the student is attending a mandatory five year program.

Cal Grant B - assists with a living allowance and tuition and fee assistance for low-income students. Awards for most first-year students are limited to an allowance for books and living expenses. When renewed or awarded beyond the freshman year, the award also helps pay for tuition and fees. The awards for tuition and fees are the same as those for Cal Grant A. For Cal Grant B, coursework must be for at least one academic year. There are two types of Cal Grant B awards: Entitlement and Competitive. Awards are renewable for up to four years, with an additional year if the student is attending a mandatory five year program.

Cal Grant C - assists with tuition and training costs at occupational or vocational programs. The award includes an amount for books, tools and equipment. Funding is available for up to two years, depending on the length of the program.

California Community College Transfer Entitlement Cal Grant (E2) - High school students who graduated July 1, 2000 or after, and go to a California Community College may receive a Cal Grant A or B award to attend a four-year college. Awards are guaranteed for students who have at least a 2.4 community college GPA, meet the admissions requirements for the qualifying four-year college, meet the Cal Grant eligibility and financial requirements, apply by March 2 of the award year and are under age 28 as of December 31 of the award year.

Assumption Program of Loans for Education (APLE) - The APLE is a competitive teacher incentive program designed to encourage outstanding students, district interns, and out-of-state teachers to become California teachers in subject areas where a critical teacher shortage has been identified or in designated schools meeting specific criteria established by the Superintendent of Public Instruction. Participants may receive up to $19,000 in loan assumption benefits over four years for completing teaching service.

The Child Development Grant Program (Child Development) - is a need-based grant designed to encourage students to enter the field of child care and development in a licensed children's center. Students who plan to enroll at least half-time in coursework leading to a Child Development Permit as a teacher, master teacher, site supervisor or program director, are eligible to apply through the institution they plan to attend. To receive funding, students must sign a Service Commitment Agreement stating they will provide one year of full-time service in a licensed children's center for each year they receive the grant.

The Law Enforcement Personnel Dependents Grant Program (LEPD) - provides need-based educational grants to dependents and spouses of: California peace officers (Highway Patrol, marshals, sheriffs, police officers), Department of Corrections and California Youth Authority employees, and permanent/full-time firefighters employed by public entities who have been killed in the performance of duty or totally disabled as a result of an accident or injury caused by external violence or physical force incurred in the performance of duty.

California Student Opportunity and Access Program (Cal-SOAP) - Cal-SOAP is instrumental in improving the flow of information about postsecondary education and financial aid while raising the achievement levels of low-income, elementary and secondary school students or geographic regions with documented low-eligibility or college participation rates, and who are first in their families to attend college.

The 15 Cal-SOAP projects operate in 17 locations throughout the state by consortia made up of secondary and postsecondary schools and community agencies. Cal-SOAP works in cooperation with other intersegmental outreach programs to avoid service duplication. Because each project specializes in serving students within its community, the types of programs and services may differ. However, some common services provided by the consortia include advising, tutoring, parent outreach, and college awareness workshops. By law, each state allocation must be matched by an equal or higher level of local resources.

The Commission conducts audits of institutions in its various financial aid programs to determine the institutions' compliance with applicable state, federal and Commission requirements. This report provides data on the institutions audited, the rate of noncompliance with each major program requirement, and steps taken to address noncompliance.

COMPLIANCE AUDITS

Compliance audits are conducted to review and analyze the administration of the Commission's programs at each participating institution and to provide information and feedback to institutional staff to assist them in taking corrective action, if necessary. By conducting interviews and reviewing records and internal controls, the Commission auditors are able to help safeguard the operational and fiscal integrity of the Commission's programs. A compliance audit provides an opportunity to:

➤ evaluate the institution's administration of the program;
➤ ensure compliance with applicable laws, regulations, Commission policies and procedures, and the Institutional Participation Agreement;
➤ evaluate the institution's controls and procedures, including routine processing and exceptions monitoring;
➤ document necessary administrative actions to ensure appropriate use of funds; and
➤ identify corrective action, including recovery of funds.

The following major program requirements may be audited:

- General Eligibility - *school and program eligibility, administrative responsibility and system security*
- Applicant Eligibility - *student eligibility and satisfactory academic progress*
- Fund Disbursement/Refunds – *enrollment status, authorization, verification of disbursement and refunds*
- Completion of Rosters and Reports – *renewal unmet need, education level verification, grade point average and any other reports*
- File Maintenance/Record Retention - *record keeping*
- Fiscal Responsibility for Program Funds - *Accounting practices (GAAP, etc.), return of interest and reconciliation*

Information obtained during the audit is analyzed and a determination is made regarding the institution's compliance with applicable laws, policies, contracts and agreements. At the conclusion of the audit, a report is issued that identifies all areas of non-compliance and, if necessary, initiates required action and restitution.

Institutions are required to revise their policies and procedures to be consistent with statutory requirements and to return any ineligible funds to address audit findings before an audit is considered complete.

Cal Grant Program Audits

Institutions are selected for an audit based on a risk analysis that includes the following risk categories: amount of Cal Grant funds received by the institution, time frame of last audit or no prior audit conducted, severity of findings noted in a prior audit and information that was brought to the Commission's attention. All major program requirements may be audited.

The major areas of non-compliance are:

- Applicant Eligibility - *student eligibility and satisfactory academic progress*
- Fund Disbursement/Refunds – *enrollment status, authorization, verification of disbursement and refunds*
- Fiscal Responsibility for Program Funds - *Accounting practices (GAAP, etc.), return of interest and reconciliation*
- Institution Liability – *Unreported Payments made by the school; however, not reported to the Commission for payment*

If major findings are noted, a follow up audit will be scheduled as deemed necessary. If major findings are noted in a chain institution (Heald, ITT etc.) additional audits will be conducted at other institutions within that chain.

The Cal Grant program is administered on an eighteen month cycle (July 1 through December 31). Compliance audits are conducted on a closed Cal Grant year. For example, from March 2009 through February 2010, the records for the 2008-09 award year are audited.

Sampling Criteria

The audit sample is selected "randomly" from the total institutional student population and by Cal Grant program type (Cal Grant A, B, C or T). The number of student records audited is determined as noted below.

High Risk Institution Audits:

- Institutions with over 100 Cal Grant students have 40 students selected.
- Institutions with between 15 and 99 Cal Grant students have 15 students selected.
- Institutions with less than 15 Cal Grant students have all students selected.

Low Risk (Focused) Institution Audits:

- Institutions with over 100 Cal Grant students have 20 students selected.
- Institutions with between 10 and 99 Cal Grant students have 10 students selected.
- Institutions with less than 10 Cal Grant students have all students selected.

If significant exceptions are found in the sample, the institution may be asked to fully reconcile all awards. However, if there are no significant exceptions, findings are limited to the selected student records.

High Risk Institution Audits

Cal Grant high risk institutional audits cover all major program requirements with emphasis on applicant eligibility, fund disbursement, and fiscal responsibility for program funds. An institution is considered a high risk institution if there were major findings noted in the prior audit. In addition, a pool of high risk institutions is developed annually using the following risk factors:

- ✓ amount of Cal Grant funds received;
- ✓ previous number of findings, repeat findings, etc;
- ✓ Cal Grant funds returned to the Commission from a prior audit finding;

High Risk Institution Audits (continued)
  - ✓ date of last review;
  - ✓ input from a prior audit; and
  - ✓ other information received concerning the institution.

As indicated in Displays 1.A and 1.B, high risk audits were conducted on institutions from all five segments of higher education. Of the institutions with closed audits, 60% and 91% were noncompliant with a major program requirement during the 2008-09 and 2009-10 fiscal years, respectively.

Display 1.A: High Risk Cal Grant Institutional Audits

Audit Stage	UC		CSU		CCC		Independent		Proprietary	
	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10
Audit Work	2	1	0	0	5	7	5	3	6	3
Draft	1	2	2	0	0	1	11	0	3	1
Final	0	0	3	5	8	6	8	21	4	13
TOTAL	**3**	**3**	**5**	**5**	**13**	**14**	**24**	**24**	**13**	**17**

**Display 1.B: Major Areas of Noncompliance in
Closed Audits of High Risk Cal Grant Institutions**

Audit Findings	UC		CSU		CCC		Independent		Proprietary	
	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10
Applicant Eligibility	0	0	1	5	4	5	6	9	3	7
Fund Disbursement	0	0	1	0	2	2	4	12	3	9
Fiscal Responsibility	0	0	1	5	5	3	6	16	2	2
Funds Disbursed to Institution	0	0	26,938,461	63,010,664	5,646,666	9,862,929	10,144,091	78,737,458	1,032,354	10,082,973
Institution Liability	0	0	0	16,060	3,803	13,725	8,818	130,802	5,730	0
Funds Returned To State	0	0	12,090	83,712	31,140	8,118	191,001	506,776	150,237	121,602

A comparison between fiscal years is illustrated below:

	2008-09	2009-10
• Applicant Eligibility	14	26
• Fund Disbursement	10	23
• Fiscal Responsibility	14	26
• Funds Disbursed to Institution	$43,761,572	$158,694,024
• Institution Liability	$18,351	$160,587
• Funds Returned to State	$384,468	$720,208
• Total Exceptions	$402,819	$880,795

Low Risk Institution Audits

The Low Risk audit verifies applicant eligibility, fund disbursement, and payment reconciliation. A Low Risk institution audit is defined as having minor or no findings noted in prior audits. In addition, a pool of Low Risk institutions is developed annually using the following risk factors:

- ✓ the number of findings,
- ✓ the amount of funds returned to the Commission, and
- ✓ the amount of time elapsed since last review and any input from the prior auditor.

As indicated in Displays 2.A and 2.B, Low Risk audits were conducted on institutions from all five segments of higher education. Of the institutions with closed audits, 33% and 80% were noncompliant with a major program requirement during the 2008-09 and 2009-10 fiscal years, respectively.

Display 2.A: Low Risk Cal Grant Institutional Audits

Audit Stage	UC		CSU		CCC		Independent		Proprietary	
	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10
Audit Work	0	0	0	1	0	2	1	1	0	0
Draft	2	2	1	0	0	2	0	0	0	0
Final	0	0	0	1	7	1	4	2	1	1
TOTAL	**2**	**2**	**1**	**2**	**7**	**5**	**5**	**3**	**1**	**1**

Display 2.B: Major Areas of Noncompliance in
Closed Audits of Low Risk Cal Grant Institutions

Audit Findings	UC		CSU		CCC		Independent		Proprietary	
	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10
Applicant Eligibility	0	0	0	0	2	1	0	0	0	1
Fund Disbursement	0	0	0	0	2	1	1	0	1	0
Fiscal Responsibility	0	0	0	1	2	1	2	1	0	0
Funds Disbursed to Institution	0	0	0	14,838,565	3,587,145	206,613	4,026,344	4,515,915	140,868	43,660
Institution Liability	0	0	0	0	0	0	0	0	0	0
Funds Returned To State	0	0	0	10,975	20,341	502	3,766	234	725	0

A comparison between fiscal years is illustrated below:

	2008-09	2009-10
• Applicant Eligibility	2	2
• Fund Disbursement	4	1
• Fiscal Responsibility	4	3
• Funds Disbursed to Institution	$7,754,357	$19,604,753
• Institution Liability	0	0
• Funds Returned to State	$24,832	$11,711
• Total Exceptions	$24,832	$11,711

California Community College Transfer Entitlement Cal Grant (E2) and Assumption Program of Loans for Education (APLE) Audits

California Education Code Section 69436(d)(3)(B) requires the Commission to randomly select a minimum of 10 percent of the new and renewal E2 awards. The institutions must verify that the selected recipient graduated from a California high school or its equivalent after June 30, 2000, was a California resident at the time of high school graduation, transferred to a qualifying baccalaureate-degree granting institution from a California Community College during the award year, is under the age of 28 at the time of transfer, has financial need, and is academically eligible.

California Education Code Section 69612.5 (a)(1)(2) define an eligible institution to participate in APLE. Institutions must participate in state and federal financial aid programs and must maintain a program of professional preparation that has been approved by the Commission on Teacher Credentialing (CTC). There are 79 participating institutions consisting of 8 UC, 22 CSU and 49 Independent colleges.

The APLE audit program verifies the institution's and the applicant's eligibility. Institutions are required to verify the student's eligibility at the time they apply. The number of APLE applicants at the institution determines the number of students selected for verification.

E2 Audits

As indicated in Displays 3.A and 3.B, there were no areas of noncompliance for the six E2 institutions with closed audits. While E2 institutions were audited in 2009-10, none of the E2 audits in 2009-10 were closed.

Display 3.A: E2 Institutional Audits

Audit Stage	UC '08-09	UC '09-10	CSU '08-09	CSU '09-10	Independent '08-09	Independent '09-10	Proprietary '08-09	Proprietary '09-10
Audit Work	0	0	0	0	0	12	0	5
Draft	0	0	0	0	0	0	0	0
Final	0	0	2	0	3	0	1	0
TOTAL	**0**	**0**	**2**	**0**	**3**	**12**	**1**	**5**

Display 3.B: Major Areas of Noncompliance in Closed Audits of E2 Institutions

Audit Findings	UC '08-09	UC '09-10	CSU '08-09	CSU '09-10	Independent '08-09	Independent '09-10	Proprietary '08-09	Proprietary '09-10
Institutional Criteria	0	0	0	0	0	0	0	0
Applicant Eligibility	0	0	0	0	0	0	0	0
No Findings	0	0	2	0	3	0	1	0
TOTAL	**0**	**0**	**2**	**0**	**3**	**0**	**1**	**0**

APLE Audits

As indicated in Displays 4.A and 4.B, four of the twenty-two APLE institutions audited with Final Reports issued in 2008-09 were found to be noncompliant in a major program requirement. While APLE institutions were audited in 2009-10, none of the E2 audits in 2009-10 were closed.

Display 4.A: APLE Institutional Audits

Audit Stage	UC		CSU		Independent		Proprietary	
	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10
Audit Work	0	0	0	0	0	18	0	0
Draft	0	0	0	0	0	0	0	0
Final	0	0	3	0	18	0	1	0
TOTAL	**0**	**0**	**3**	**0**	**18**	**18**	**1**	**0**

Display 4.B: Major Areas of Noncompliance in
Closed Audits of APLE Institutions

Audit Findings	UC		CSU		Independent		Proprietary	
	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10
Institutional Criteria	0	0	0	0	0	0	0	0
Applicant Eligibility	0	0	0	0	4	0	0	0
No Findings	0	0	3	0	14	0	1	0
TOTAL	**0**	**0**	**3**	**0**	**18**	**0**	**1**	**0**

APLE/E2 Combination Audits

As indicated in Displays 5.A and 5.B, none of the twenty-two APLE/E2 institutions audited with Final Reports issued in 2008-09 had an area of noncompliance. Three of the thirty-four APLE/E2 institutions with closed audits in 2009-10 had an area of noncompliance.

Display 5.A: APLE/E2 Combination Institutional Audits

Audit Stage	UC		CSU		Independent		Proprietary	
	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10
Audit Work	0	2	0	5	0	8	0	0
Draft	0	0	0	1	0	0	0	0
Final	5	0	7	12	10	6	0	0
TOTAL	**5**	**2**	**7**	**18**	**10**	**14**	**0**	**0**

**Display 5.B: Major Areas of Noncompliance for
Closed Audits of APLE/E2 Combination Institutions**

Audit Findings	UC		CSU		Independent		Proprietary	
	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10	'08-09	'09-10
Institutional Criteria	0	0	0	0	0	0	0	0
Applicant Eligibility	0	0	0	3	0	0	0	0
No Findings	5	0	7	9	10	7	0	0
TOTAL	**5**	**0**	**7**	**12**	**10**	**7**	**0**	**0**

Child Development Grant Program (CD) and the Law Enforcement Personnel Dependents (LEPD) Audits

CD and LEPD participating institutions are audited simultaneously at the time of a scheduled Cal Grant audit as the basic eligibility and program requirements are similar.

As indicated in Display 6.A., CD and LEPD participating institutions were audited from various segments of higher education. None of the institutions audited for the 2008-09 and the 2009-10 award years had a finding pertaining to the CD or LEPD program requirements.

Display 6.A: CD and LEPD Institutional Audits

Segment	Child Development		LEPD	
	'08-09	'09-10	'08-09	'09-10
UC	0	0	0	1
CSU	0	2	0	1
CCC	4	0	0	0
Independent	1	0	0	1
Proprietary	0	0	0	0

Cal-SOAP Audits

Compliance audits are conducted to review and analyze the administration of the Cal-SOAP project to ensure compliance with applicable laws, policies, contracts and consortium agreements and to provide information and feedback to consortium staff to assist them in taking corrective action if necessary. Through interviews and review of records, the Commission auditors are able to help safeguard the operational and fiscal integrity of the Cal-SOAP. The compliance audit provides an opportunity to:

> ➢ evaluate the current administrative procedures through interviews and reviews of records, forms and procedures;
> ➢ evaluate the current payment procedures through interviews and reviews of records, forms and procedures;
> ➢ review records and payments transactions of student tutors;
> ➢ review the records and payments transactions of Cal-SOAP expenditures; and
> ➢ identify corrective action, including recovery of funds.

The following major program requirements may be audited:

- Internal Control – *policies and procedures, fiscal agent agreements, independent auditor's report, etc*
- General Program Requirements – *consortium by-laws, governing board meetings, annual program plan, etc*
- Fiscal Accountability – *accounting practices (GAAP), matching funds, 30% stipend requirements, quarterly and final reports, maintenance of equipment, etc.*

Information obtained during the audit is analyzed and a determination is made regarding the consortium's compliance with applicable laws, policies, contracts and consortium agreements. At the conclusion of the audit, a report is issued that identifies all areas of non-compliance and, if necessary, initiates required action and restitution.

Consortiums are required to revise their policies and procedures to be consistent with statutory requirements and to return any ineligible funds to address audit findings before a compliance audit is considered final.

Consortiums are selected for an audit based on a risk analysis that includes the following risk categories: amount of ineligible funds identified in a prior audit, severity of findings noted in a prior audit, timeframe of last audit, and information brought to the Commissions attention internally or externally.

As indicated in Display 7.A, one consortium was audited with a Final Report issued in 2008-09 award year had an area of noncompliance. While two consortiums that were audited with Final Reports issued in 2009-10 award year had an area of noncompliance. There was no liability associated with any of these audits conducted during the 2008-09 and 2009-10 award years.

Display 7.A Major Areas of Noncompliance in Closed Audits of Consortiums

Audit Findings	2008-09	2009-10
Internal Control	0	1
General Program Requirements	0	2
Fiscal Accountability	3	2
TOTAL	**3**	**5**

Additional details on all of the audits can be found in the Appendix.

CONCLUSION

The Commission is responsible for the effective oversight and efficient administration of authorized Federal and State financial aid programs. This includes ensuring program integrity through compliance audits and reviews of the institutions participating in the Commission's programs.

Cal Grant Compliance Audits

For Cal Grant compliance audits, the major areas of noncompliance found in completed audits were primarily in the areas of applicant eligibility, fund disbursement and fiscal responsibility for program funds. A summary of the most common reasons for these findings are noted below.

1. Applicant Eligibility

   Participating institutions are required to confirm that a Cal Grant recipient meets eligibility and program requirements at the time Cal Grant funds are paid to the recipient or the recipient's account using all existing information including the Institutional Student Information Record (ISIR). Most of the audit findings in this area are the result of the institution not determining that a student became ineligible for a Cal Grant as a result of changes to the Institution Student Aid Report (ISAR).

2. Fund Disbursement

   The institution is required to disburse Cal Grant funds based on a student's attendance at the time of disbursement. The majority of the findings in this area resulted from institutions disbursing a Cal Grant payment that was not consistent with the student's enrollment status.

3. Fiscal Responsibility for Program Funds

   Institutions participating in the Cal Grant program are required to reconcile their accounts with funds received from the Commission for each award year. The reconciliation process consists of comparing the transactions reported by the school via WebGrants with transactions accepted and reconciled by the Commission. The Commission strongly recommends that schools reconcile Cal Grant payments on a monthly basis. Furthermore, institutions must make all disbursements by December 30 following the end of the award year (for example, December 30, 2009, for the 2008-09 award year). Should the institution's records of individual payments to eligible students be less than what the Commission paid, the institution must return the difference to the Commission. In contrast, the institution will bear the liability for payments not reported prior to the required reconciliation due date.

Cal-SOAP Compliance Audits

For Cal-SOAP audits, the major areas of noncompliance were found in the areas of Internal Control, General Program Requirements and Fiscal Accountability. A summary of the most common reasons of these findings are noted below:

1. Internal Control

   The Consortium is required to develop policies that outline what services will be provided and define each service level per the Cal-SOAP Policies and Requirements Manual. These policies should define the roles and duties of each Cal-SOAP (i.e. Project Director, Project Specialist, Program Analyst, etc). The audit findings in this area were a result of the Consortium not having complete Policies and Procedures or the Policies and Procedures that needed strengthening.

2. General Program Requirements

   The Consortium is required to establish and follow a set of rules for governing its own meetings and affairs. These by-laws shall be based on the project's distinct structure, kept current and reflect the board's current practices. Consortiums members are encouraged to attended schedule meetings. Failure to do so could result in the removal from the Governing Board. The audit finding in this area was a result of the By-Laws not being implemented by the Governing Board.

3. Fiscal Accountability

   State law requires a matching contribution of local resources for each Cal-SOAP project at a 1:1 ratio. The goal, however, is for the projects to attain a 1:1.5 ratio. Each consortium, through its Project Director, is expected to systematically account for the receipt and expenditure of matching funds provided by supporting institutions. The expenditure of matching funds constitutes an integral part of each project's operation and its fiscal reporting to the Commission. "In-Kind" funds, which are not included in a project's expenditure budget, are to be accounted for in a reasonable manner and reported to the Commission. The majority of the audit findings in this area resulted from Consortium members not fully accounting for in-kind contribution in a detailed manner that is clearly calculated, tracked and reported to the Project Director.

CAL GRANT
HIGH RISK AUDITS

APPENDIX

DATA SUMMARY – CAL GRANT HIGH RISK AUDITS

Table 1.A: High Risk Cal Grant Institutional Audits

	Audit Stage		
Institutions Audited **2008-09**	Audit Work	Draft Report	Final Report
University of California (UC)			
Davis		X	
Irvine	X		
Los Angeles	X		
California State University (CSU)			
Channel Islands			X
Fresno			X
Long Beach		X	
Los Angeles		X	
Sacramento			X
California Community College (CCC)			
Cabrillo College			X
Chabot College*			X
City College of San Francisco	X		
College of the Desert	X		
Folsom Lake College			X
Fresno City College			X
Fullerton College	X		
Gavilan College*			X
Pasadena City College	X		
San Jose City College			X
Santa Ana College			X
Santiago Canyon College			X
Southwestern College*	X		
Independent Colleges			
California Institute of the Arts			X
Chapman University	X		
Concordia University			X
Dominican University of California			X
Fresno Pacific College*		X	
Golden Gate University	X		
Heald College - Hayward		X	
Heald College - Roseville			X
Heald College of Business & Technology – San Francisco			X
Heald College of Business & Technology – Fresno		X	
La Sierra University			X
Life Pacific College		X	

* =CD institutions audited
**=LEDP institutions audited

DATA SUMMARY – CAL GRANT HIGH RISK AUDITS

Table 1.A: High Risk Cal Grant Institutional Audits (continued)

Institutions Audited **2008-09**	Audit Stage		
	Audit Work	Draft Report	Final Report
Independent Colleges (continued)			
Loyola Marymount University		X	
Mount St. Mary's College		X	
San Diego Christian College		X	
Santa Clara University		X	
Soka University of America		X	
So CA Institute of Architecture			X
The Masters College			X
University of San Diego	X		
University of San Francisco	X		
University of Southern California	X		
Vanguard University of Southern California		X	
Woodbury University		X	
Proprietary Colleges			
California College of San Diego	X		
California School of Culinary Arts			X
DeVry Institute of Technology - Pomona	X		
Empire College			X
Fashion Institute of Design & Merchandising		X	
ITT Technical Institute – San Diego		X	
Musician's Institution			X
San Joaquin Valley College - Fresno	X		
The Art Institute Of California – Orange County	X		
Universal Technical Institute - Sacramento	X		
Western Career College – Citrus Heights			X
Western Career College – Stockton	X		
Westwood College of Technology - Upland		X	

* =CD institutions audited
**=LEDP institutions audited

DATA SUMMARY – CAL GRANT HIGH RISK AUDITS

Table 1.B: High Risk Cal Grant Institutional Audits

Institutions Audited **2009-10**	Audit Stage		
	Audit Work	Draft Report	Final Report
University of California (UC)			
Davis		X	
Irvine		X	
Riverside**	X		
California State University (CSU)			
Long Beach			X
Los Angeles			X
Northridge*, **			X
San Bernardino*			X
San Jose State University**			X
California Community College (CCC)			
Cerritos Community College	X		
Chaffey Community College		X	
City College of San Francisco			X
College of the Desert			X
Cosumnes River College	X		
Cypress College	X		
El Camino College			X
Fullerton College			X
Grossmont College	X		
Pasadena City College			X
San Bernardino Valley College			X
San Diego City College	X		
San Diego Mesa College	X		
San Diego Miramar College	X		
Independent Colleges			
American Jewish University	X		
Biola University			X
Chapman University			X
Fresno Pacific College			X
Golden Gate University			X
Harvey Mudd College	X		
Heald College - Hayward			X
Heald College of Business & Technology – Fresno			X
Holy Names College			X
Life Pacific College			X
Loyola Marymount University			X
Mount St. Mary's College			X
San Diego Christian College			X

* =CD institutions audited
**=LEDP institutions audited

DATA SUMMARY – CAL GRANT HIGH RISK AUDITS

Table 1.B: High Risk Cal Grant Institutional Audits (continued)

Institutions Audited 2009-10	Audit Stage		
	Audit Work	Draft Report	Final Report
Independent Colleges (continued)			
Santa Clara University			X
Soka University of America			X
St. Francis Career College - Lynwood			X
University of Phoenix	X		
University of Redlands**			X
University of San Diego			X
University of San Francisco			X
University of Southern California			X
Vanguard University of Southern California			X
Whittier College			X
Woodbury University			X
Proprietary Colleges			
California College of San Diego			X
Culinary Institute Of America			X
Devry Institute of Technology - Pomona		X	
Ex'pression College			X
Fashion Institute of Design & Merchandising - LA			X
Fremont College			X
International Academy of Design & Technology			X
ITT Technical Institute – Sacramento			X
ITT Technical Institute – San Diego			X
Kaplan College – Palm Springs			X
National Polytechnic College of Science			X
Platt College – San Diego	X		
San Joaquin Valley College - Fresno	X		
The Art Institute Of California – Orange County			X
Universal Technical Institute - Sacramento	X		
Western Career College – Stockton			X
Westwood College of Technology - Upland			X

* =CD institutions audited
**=LEDP institutions audited

DATA SUMMARY – CAL GRANT HIGH RISK AUDITS

Table 1.C: Major Areas of Noncompliance in Closed Audits of High Risk Cal Grant Institutions

Institutions Audited 2008-09	Audit Findings				
	Verification of Applicant Eligibility	Fund Disbursement	Accounting & Payment Reconciliation	Funds Disbursed to the Institution	Funds Returned to the State
CSU					
Channel Islands	X	X		1,037,279	6,794
Fresno				14,228,051	0
Sacramento			X	11,673,131	5,296
Total	*1*	*1*	*1*	*26,938,461*	*12,090*
CCC					
Cabrillo	X	X		567,376	500
Chabot	X		X	615,855	0
Folsom Lake		X	X	80,411	15,106
Fresno City				2,677,219	0
Gavilan	X		X	287,086	3,235
San Jose City	X		X	261,063	11,909
Santa Ana			X	685,558	390
Santiago Canyon				131,691	0
Total	*4*	*2*	*5*	*5,646,666*	*31,140*
Independent Colleges					
California Institute of the Arts	X	X		903,046	19,746
Concordia University	X		X	2,153,490	31,099
Dominican University of California	X	X	X	2,162,083	34,266
La Sierra University	X	X	X	2,546,782	19,667
So Cal Institute of Architecture	X			249,792	38,518
The Masters College	X	X	X	1,772,580	20,898
Total	*6*	*4*	*6*	*10,144,091*	*191,001*
Proprietary Colleges					
California School of Culinary Arts	X	X		506,584	125,669
Empire College		X	X	119,057	11,938
Heald - Roseville			X	1,139,260	104,254
Heald College of Business & Tech – San Francisco			X	356,318	26,807
Musician's Institution	X	X	X	186,444	12,630
Western Career – Citrus Heights	X			220,269	0
Total	*3*	*3*	*2*	*1,032,354*	*150,237*
Grand Total				**43,761,572**	**384,468**

DATA SUMMARY – CAL GRANT HIGH RISK AUDITS

Table 1.D: Major Areas of Noncompliance in Closed Audits of High Risk Cal Grant Institutions

Institutions Audited 2009-10	Audit Findings			Funds Disbursed to the Institution	Funds Returned to the State
	Verification of Applicant Eligibility	Fund Disbursement	Accounting & Payment Reconciliation		
CSU					
Long Beach	X		X	14,111,480	20,121
Los Angeles	X		X	9,755,690	21,490
Northridge	X		X	18,867,760	23,782
San Bernardino	X		X	10,291,495	13,899
San Jose State Univ.	X		X	9,984,239	4,420
Total	*5*	*0*	*5*	*63,010,664*	*83,712*
CCC					
City College of San Francisco			X	1,630,092	0
College of the Desert	X			602,947	2,908
El Camino College	X	X		1,151,367	0
Fullerton College	X	X	X	883,299	0
Pasadena City College	X			1,832,122	0
San Bernardino Valley College	X		X	763,102	5,210
Total	*5*	*2*	*3*	*6,862,929*	*8,118*
Independent Colleges					
Biola University			X	6,106,447	221
Chapman University				6,063,756	0
Fresno Pacific College		X	X	4,447,345	6,689
Golden Gate University	X	X	X	156,033	3,307
Heald College - Hayward		X	X	830,830	110,235
Heald College of Business & Technology – Fresno			X	1,704,921	186
Holy Names College	X	X	X	1,109,928	77,463
Life Pacific College	X	X		392,046	21,111
Loyola Marymount University				8,084,858	0
Mount St. Mary's College	X	X	X	5,555,726	90,489
San Diego Christian College			X	923,765	0
Santa Clara University			X	4,889,122	1,301
Soka University of America		X	X	61,799	2,603

DATA SUMMARY – CAL GRANT HIGH RISK AUDITS

Table 1.D: Major Areas of Noncompliance in Closed Audits of High Risk Cal Grant Institutions (continued)

Institutions Audited 2009-10	Audit Findings				
	Verification of Applicant Eligibility	Fund Disbursement	Accounting & Payment Reconciliation	Funds Disbursed to the Institution	Funds Returned to the State
St. Francis Career College - Lynwood	X			210,836	1,584
University of Redlands		X	X	4,372,065	2,427
University of San Diego	X		X	4,279,123	8,466
University of San Francisco		X	X	6,248,725	6,902
University of Southern California	X	X	X	15,096,754	98,036
Vanguard University of Southern California			X	2,668,776	9,851
Whittier College	X	X		2,157,730	16,101
Woodbury University	X	X	X	3,376,873	52,381
Total	*9*	*12*	*16*	*78,737,458*	*506,776*
Proprietary Colleges					
California College of San Diego	X	X		19,340	7,372
Culinary Institute Of America	X			3,168	0
Ex'pression College	X	X		73,279	17,903
Fashion Institute of Design & Merchandising - LA				5,050,610	0
Fremont College		X		29,727	0
International Academy of Design & Technology		X	X	100,675	4,202
ITT Technical Institute – Sacramento		X		991,462	2,579
ITT Technical Institute – San Diego	X	X		795,719	20,623
Kaplan College – Palm Springs				69,600	0
National Polytechnic College of Science	X			26,180	1,056
The Art Institute Of California – Orange County	X	X	X	1,624,243	34,886

DATA SUMMARY – CAL GRANT HIGH RISK AUDITS

Table 1.D: Major Areas of Noncompliance in Closed Audits of High Risk Cal Grant Institutions (continued)

Institutions Audited 2009-10	Audit Findings				
	Verification of Applicant Eligibility	Fund Disbursement	Accounting & Payment Reconciliation	Funds Disbursed to the Institution	Funds Returned to the State
Western Career College – Stockton		X		77,752	7,041
Westwood College of Technology - Upland	X	X		1,221,218	25,940
Total	*7*	*9*	*2*	*10,082,973*	*121,602*
Grand Total	**26**	**23**	**26**	**158,694,024**	**720,208**

CAL GRANT
LOW RISK AUDITS

DATA SUMMARY – CAL GRANT LOW RISK AUDITS

Table 2.A: Low Risk Cal Grant Institutional Audits

Institutions Audited **2008-09**	Audit Stage		
	Audit Work	Draft Report	Final Report
UC			
Santa Barbara		X	
San Diego		X	
CSU			
San Diego State University		X	
CCC			
American River College			X
College of Marin – Indian Valley Camp			X
College of San Mateo			X
College of the Canyons			X
Napa Valley College			X
Santa Barbara City College			X
Sierra College			X
Independent Colleges			
Bethany College			X
Humphreys College			X
Point Loma Nazarene	X		
Thomas Aquinas College			X
Westmont College			X
Proprietary Colleges			
Sage College			X

Table 2.B: Low Risk Cal Grant Institutional Audits

Institutions Audited **2009-10**	Audit Stage		
	Audit Work	Draft Report	Final Report
UC			
Santa Barbara		X	
San Diego		X	
CSU			
California Maritime Academy	X		
San Diego State University			X
CCC			
College of the Siskiyous			X
Feather River College	X		
Hartnell Community College		X	
Mission College		X	
Shasta College	X		
Independent Colleges			
Azusa Pacific University	X		
Point Loma Nazarene			X
University of the Pacific - Pharmacy			X
Proprietary Colleges			
Institute of Technology - Fresno			X

DATA SUMMARY – CAL GRANT LOW RISK AUDITS

Table 2.C: Major Areas of Noncompliance in Closed Audits of Low Risk Cal Grant Institutions

Institutions Audited **2008-09**	Audit Findings				
	Verification of Applicant Eligibility	Fund Disbursement	Accounting & Payment Reconciliation	Funds Disbursed to the Institution	Funds Returned to the State
CCC					
American River College		X	X	1,531,753	15,882
College of Marin – Indian Valley Camp		X		8,774	144
College of San Mateo				204,033	0
College of the Canyons				340,407	0
Napa Valley College	X			286,373	3,102
Santa Barbara City College	X		X	401,805	1,357
Sierra College				814,000	0
Total	*2*	*2*	*2*	*3,587,145*	*20,341*
Independent Colleges					
Bethany College			X	792,808	3,766
Humphreys College		X		1,289,019	0
Thomas Aquinas College			X	369,441	0
Westmont College				1,575,076	0
Total	*0*	*1*	*2*	*4,026,344*	*3,766*
Proprietary Colleges					
Sage College		X		140,868	725
Total	*0*	*1*	*0*	*140,868*	*725*
Grand Total	*2*	*4*	*4*	**7,754,357**	**24,832**

DATA SUMMARY – CAL GRANT LOW RISK AUDITS

Table 2.D: Major Areas of Noncompliance in Closed Audits of Low Risk Cal Grant Institutions

Institutions Audited **2009-10**	Audit Findings				
	Verification of Applicant Eligibility	Fund Disbursement	Accounting & Payment Reconciliation	Funds Disbursed to the Institution	Funds Returned to the State
CSU					
San Diego State University			X	14,838,565	10,975
Total	*0*	*0*	*1*	14,838,565	10,975
CCC					
College of the Siskiyous	X	X	X	206,613	502
Total	1	1	1	206,613	502
Proprietary Colleges					
Point Loma Nazarene				4,116,775	0
University of the Pacific - Pharmacy			X	399,140	234
Total	0	0	1	4,515,915	234
Proprietary Colleges					
Institute of Technology - Fresno	X			43,660	0
Total	1	0	0	43,660	0
Grand Total	2	1	3	19,604,753	11,711

CALIFORNIA COMMUNITY COLLEGE
TRANSFER ENTITLEMENT
CAL GRANT (E2) AUDITS

DATA SUMMARY – CALIFORNIA COMMUNITY COLLEGE TRANSFER ENTITLEMENT CAL GRANT (E2) AUDITS

Table 3.A: E2 Institutional Audits

Institutions Audited **2008-09**	Audit Stage		
	Audit Work	Draft Report	Final Report
CSU			
San Marcos			X
Sonoma			X
Independent Colleges			
Fresno Pacific College			X
Simpson University			X
So CA Institute of Architecture			X
Proprietary Colleges			
Brooks Institute			X

Table 3.B: E2 Institutional Audits

Institutions Audited **2009-10**	Audit Stage		
	Audit Work	Draft Report	Final Report
Independent Colleges			
Academy of Art University	X		
Art Center College of Design	X		
Bethany College	X		
California College of the Arts	X		
California Institute of the Arts	X		
Claremont McKenna College	X		
Cogswell Polytechnical College	X		
Epic Bible College	X		
Otis College of Art and Design	X		
San Francisco Art Institute	X		
The Art Institute of California San Francisco	X		
Westmont College	X		
Proprietary Colleges			
Design Institute of San Diego	X		
The Art Institute of California Hollywood	X		
The Art Institute of California Sacramento	X		
The Art Institute of California San Diego	X		
The Art Institute of California Sunnyvale	X		

DATA SUMMARY – CALIFORNIA COMMUNITY COLLEGE TRANSFER ENTITLEMENT CAL GRANT (E2) AUDITS

**Table 3.C: Major Areas of Noncompliance in
Closed Audits of E2 Institutions**

Institutions Audited **2008-09**	Audit Findings		
	Institutional Criteria	Applicant Eligibility	No Findings
CSU			
San Marcos			X
Sonoma			X
Independent Colleges			
Fresno Pacific College			X
Simpson University			X
So CA Institute of Architecture			X
Proprietary Colleges			
Brooks Institute			X

APLE AUDITS

DATA SUMMARY – APLE AUDITS

Table 4.A: APLE Institutional Audits

Institutions Audited 2008-09	Audit Stage		
	Audit Work	Draft Report	Final Report
CSU			
Dominguez Hills			X
San Luis Obispo (Polytechnic University)			X
Sonoma			X
Independent Colleges			
Alliant International University – San Diego			X
Antioch University-Santa Barbara			X
Chapman University			X
Claremont Graduate School			X
Holy Names College			X
Loyola Marymount University			X
New College of California			X
National Hispanic University			X
Notre Dame de Namur University			X
Occidental College			X
Patten University			X
Simpson University			X
St. Mary's College of California			X
Stanford University			X
University of Phoenix			X
University of Redlands			X
Vanguard University of Southern California			X
Whittier College			X
Propriety Colleges			
Argosy University-Orange County			X

Table 4.B: APLE Institutional Audits

Institutions Audited 2009-10	Audit Stage		
	Audit Work	Draft Report	Final Report
Independent Colleges			
Alliant International University	X		
Antioch University	X		
Claremont Graduate School	X		
Concordia University	X		
Dominican University	X		
Holy Names College	X		
John F. Kennedy University	X		
Mount St. Mary's College	X		

DATA SUMMARY – APLE AUDITS

Table 4.B: APLE Institutional Audits (continued)

Institutions Audited 2009-10	Audit Stage		
	Audit Work	Draft Report	Final Report
National Hispanic University	X		
Notre Dame de Namur University	X		
Occidental College	X		
Pacific Oaks College	X		
Pepperdine University	X		
San Diego Christian College	X		
Stanford University	X		
Touro University	X		
United States University	X		
University of Redlands	X		

Table 4.C: Major Areas of Noncompliance in Closed Audits of APLE Institutions

Institutions Audited 2008-09	Audit Findings		
	Institutional Criteria	Applicant Eligibility	No Findings
CSU			
Dominguez Hills			X
San Luis Obispo (Polytechnic University)			X
Sonoma			X
Independent Colleges			
Alliant International University – San Diego			X
Antioch University-Santa Barbara			X
Chapman University			X
Claremont Graduate School			X
Holy Names College			X
Loyola Marymount University			X
New College of California			X
National Hispanic University		X	
Notre Dame de Namur University		X	
Occidental College			X
Patten University		X	
Simpson University			X
St. Mary's College of California		X	
Stanford University			X
University of Phoenix			X
University of Redlands			X
Vanguard University of Southern California			X
Whittier College			X
Proprietary Colleges			
Argosy University-Orange County			X

APLE/E2 COMBINATION AUDITS

DATA SUMMARY – APLE/E2 COMBINATION AUDITS

Table 5.A: APLE/E2 Combination Institutional Audits

Institutions Audited **2008-09**	Audit Stage		
	Audit Work	Draft Report	Final Report
UC			
Berkeley			X
Davis			X
Irvine			X
Riverside			X
Santa Cruz			X
CSU			
East Bay			X
Fresno			X
Fullerton			X
Northridge			X
Pomona (Polytechnic University)			X
San Francisco			X
San Jose			X
Independent Colleges			
Biola University			X
California Baptist University			X
Concordia University			X
Hope International University			X
Mount St. Mary's College			X
Pacific Oaks College			X
Pacific Union College			X
Santa Clara University			X
The Masters College			X
University of Southern California			X

Table 5.B: APLE/E2 Combination Institutional Audits

Institutions Audited **2009-10**	Audit Stage		
	Audit Work	Draft Report	Final Report
UC			
Berkeley	X		
Santa Cruz	X		
CSU			
Bakersfield			X
Channel Islands	X		
Chico			X
Dominguez Hills	X		
East Bay			X
Fullerton		X	

DATA SUMMARY – APLE/E2 COMBINATION AUDITS

Table 5.B: APLE/E2 Combination Institutional Audits (continued)

Institutions Audited 2009-10	Audit Stage		
	Audit Work	Draft Report	Final Report
Humboldt			X
Long Beach	X		
Los Angeles			X
Monterey Bay	X		
Pomona (Polytechnic University)			X
Sacramento	X		
San Diego			X
San Luis Obispo (Polytechnic University)			X
San Francisco			X
San Marcos			X
Sonoma			X
Stanislaus			X
Independent Colleges			
California Baptist University			X
California Lutheran University	X		
Hope International University			X
Mills College			X
National University			X
Pacific Union College	X		
Saint Mary's College	X		
Santa Clara University			X
Simpson University	X		
The Masters College			X
University of La Verne	X		
University of Southern California	X		
University of The Pacific	X		
William Jessup University	X		

DATA SUMMARY – APLE/E2 COMBINATION AUDITS

Table 5.C: Major Areas of Noncompliance in
Closed Audits of APLE/E2 Combination Institutions

Institutions Audited **2008-09**	Audit Findings		
	Institutional Criteria	Applicant Eligibility	No Findings
UC			
Berkeley			X
Davis			X
Irvine			X
Riverside			X
Santa Cruz			X
CSU			
East Bay			X
Fresno			X
Fullerton			X
Northridge			X
Pomona (Polytechnic University)			X
San Francisco			X
San Jose			X
Independent Colleges			
Biola University			X
California Baptist University			X
Concordia University			X
Hope International University			X
Mount St. Mary's College			X
Pacific Oaks College			X
Pacific Union College			X
Santa Clara University			X
The Masters College			X
University of Southern California			X

Table 5.D: Major Areas of Noncompliance in
Closed Audits of APLE/E2 Combination Institutions

Institutions Audited **2009-10**	Audit Findings		
	Institutional Criteria	Applicant Eligibility	No Findings
CSU			
Bakersfield			X
Chico			X
East Bay	X		
Humboldt			X
Los Angeles			X
Pomona (Polytechnic University)			X
San Diego	X		
San Luis Obispo (Polytechnic University)	X		

DATA SUMMARY – APLE/E2 COMBINATION FOCUSED AUDITS

Table 5.D: Major Areas of Noncompliance in
Closed Audits of APLE/E2 Combination Institutions (continued)

Institutions Audited **2009-10**	Audit Findings		
	Institutional Criteria	Applicant Eligibility	No Findings
San Francisco			X
San Marcos			X
Sonoma			X
Stanislaus			X
Independent Colleges			
California Baptist University			X
Hope International University			X
Mills College			X
National University			X
Santa Clara University			X
The Masters College			X
University of The Pacific			X

CAL-SOAP AUDITS

DATA SUMMARY – Cal-SOAP AUDITS

Table 6.A.: Major Areas of Noncompliance in Closed Audits of Consortiums

Consortium Audited **2008-09**	Audit Findings		
	Internal Control	General Program Requirements	Fiscal Accountability
North Valley			X

Table 6.B.: Major Areas of Noncompliance in Closed Audits of Consortiums

Consortium Audited **2009-10**	Audit Findings		
	Internal Control	General Program Requirements	Fiscal Accountability
East Bay	X	X	X
Santa Barbara		X	X