

PERALTA COMMUNITY COLLEGE DISTRICT
Board of Trustees Agenda Report
For the Trustee Meeting Date of March 27, 2012

ITEM # 26

ITEM TITLE:

Varinek, Trine, Day & Co., LLP/

SPECIFIC BOARD ACTION REQUESTED:

Consider approval of contract with Vavrinek Trine Day & Co., LLP (VTD) in the amount of \$135,000 to perform the District's annual audit for the fiscal year ended June 30, 2012.

ITEM SUMMARY: (PLEASE DISCUSS THIS ITEM)

Education Code Section 84040 requires that the District provide for an annual audit of all funds, books, and accounts of the District in accordance with regulations established by the Board of Governors and Generally Accepted Auditing Standards. VTD is an auditing firm licensed by the California Board of Accountancy and qualified to perform such services. VTD will audit the financial statements of the business-type activities, which collectively comprise the basic financial statements of the District as of and for the year ended June 30, 2012.

SOURCE OF FUNDS (AND FISCAL/BUDGETARY IMPACT):

General Fund Unrestricted

BACKGROUND/ANALYSIS:

The annual financial report of the district is the vehicle for summarizing and communicating the results of budgetary decisions and transactions. The Annual Financial and Budget Report (CCFS-311) of each district contains, as specified by the Chancellor's Office, a statement of the actual revenues and expenditures for the fiscal year just completed, plus the estimated revenues and proposed expenditures for the succeeding fiscal year (CCR §58303).

The annual financial and compliance audit, as required by Education Code Section 84040, is the final examination of the annual financial statements' fairness and reliability. The audit is conducted by certified public accountants licensed by the State Board of Accountancy. In the event the governing board of a community college district fails to provide for an audit, the Board of Governors shall provide for such audit, and if the Board of Governors fails or is unable to make satisfactory arrangement for such an audit, the Department of Finance shall make arrangements for the audit. The cost of any audit described above shall be paid from district funds.

The annual financial statements are the responsibility of the district. Audit adjustments must be recorded in the district's accounting system to ensure the accuracy and consistency of financial reports. Differences between the district's CCFS-311 and its audited financial statements should be reconciled and reported in the notes to the financial statements.

DELIVERABLES/SCOPE OF WORK:

Audit opinion expressed on the District's June 30, 2012 financial statements as well as required state and federal compliance reports.

ANTICIPATED COMPLETION DATE:

December 31, 2012

ALTERNATIVES/OPTIONS:

Not applicable

EVALUATION AND RECOMMENDED ACTION:

OTHER DEPARTMENTS IMPACTED BY THIS ACTION (E.G. INFORMATION TECHNOLOGY):

YES _____ No X

COMMENTS:

WHO WILL BE PRESENTING THIS ITEM AT THE BOARD MEETING? (VICE CHANCELLOR)

VICE CHANCELLOR GERHARD

(*****Board contract approval is subject to negotiation and execution by the Chancellor.)

DOCUMENT PREPARED BY:

Prepared by: *Ronald Gerhard*
Ron Gerhard, Chief Financial Officer

Date: 3/15/2012

DOCUMENT PRESENTED AND APPROVED BY:

Presented and approved by: *Ronald Gerhard*
Ron Gerhard, Chief Financial Officer

Date: 3/15/2012

FINANCE DEPARTMENT REVIEW

Finance review required Finance review *not* required

If Finance review is required, determination is: Approved Not Approved

If not approved, please give reason: _____

Signature: *Ronald Gerhard*
Ron Gerhard, Chief Financial Officer

Date: 3/15/2012

GENERAL COUNSEL (Legality and Format/adherence to Education Codes):

Legal review required Legal review *not* required

If Legal review is required, determination is: Approved Not Approved

Signature: _____
Thuy T. Nguyen, General Counsel

Date: _____

CHANCELLOR'S OFFICE APPROVAL

Approved, and Place on Agenda Not Approved, but Place on Agenda

Signature: *Wise Allen*
Wise E. Allen, Chancellor

Date: 3-20-12