

PERALTA COMMUNITY COLLEGE DISTRICT
Board of Trustees Agenda Report
For the Trustee Meeting Date of May 13, 2014

ITEM TITLE: Vavrinek Trine Day & Co., LLP (VTD) Contract Amendment

SPECIFIC BOARD ACTION REQUESTED:

Consider approval to amend the blanket purchase order for Vavrinek Trine Day & Co., LLP (VTD) by \$23,700. The previous contract amount was \$135,000 for the June 30, 2013 audit. The new contract amount shall not exceed \$158,700.

ITEM SUMMARY:

During the final audit period, additional federal program audits and reconciliations or re-auditing was required in order to provide an opinion on the financial statements and on compliance with Federal requirements. Therefore, VTD spent additional audit time over and above the original audit proposal for the 2013-2014 fiscal year. In providing these additional services, VTD has discounted their hourly rates by 35% as they were in the process of completing other required areas of the audit. We are currently requesting an increase in the audit contract of \$23,700 to reflect this additional amount of time required for the programs audit.

BACKGROUND/ANALYSIS:

The annual financial and compliance audit, as required by Education Code Section 84040 and Office of Management and Budget (OMB) Circular A-133, 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.

DELIVERABLES/SCOPE OF WORK:

Audit opinion expressed on the District's June 30, 2013 financial statements as well as required state and federal compliance reports. The finalized audit report will be presented to the Board of Trustees on or before December 10, 2013.

ANTICIPATED COMPLETION DATE:

Completed

ALTERNATIVES/OPTIONS:

Not applicable

EVALUATION AND RECOMMENDED ACTION:

Approve the contract amendment amount of \$23,700.

SOURCE OF FUNDS (AND FISCAL/BUDGETARY IMPACT):

General Fund Unrestricted.

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

YES _____ NO X

COMMENTS:

WHO WILL BE PRESENTING THIS ITEM AT THE BOARD MEETING?

Interim Vice Chancellor Rinne

DID A BOARD STANDING COMMITTEE RECOMMEND THE ITEM? YES _____ NO X

_____ IF "YES", PLEASE INCLUDE THAT INFORMATION IN YOUR SUMMARY.

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

DOCUMENT PREPARED BY:

Prepared by: Susan Rinne Date: 5/2/14
Susan Rinne, Interim Vice Chancellor for Finance & Administration

DOCUMENT PRESENTED AND APPROVED BY:

Presented and approved by: Susan Rinne Date: 5/2/14
Susan Rinne, Interim Vice Chancellor for Finance and
Administration

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: Susan Rinne Date: 5/2/14
Susan Rinne, Interim Vice Chancellor for Finance and Administration

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: _____ Date: _____
Thuy T. Nguyen, General Counsel

CHANCELLOR'S OFFICE APPROVAL

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

Signature: Dr. José M. Ortiz Date: 5/8/14
José M. Ortiz, Chancellor