

CALIFORNIA COMMUNITY COLLEGES
CHANCELLOR'S OFFICE

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November 12, 2014

Dr. Keith Curry
Compton Community College District
1111 East Artesia Blvd
Compton, CA 90221

Dr. Keith Curry,

During the 2010-11 annual audit, the audit firm Vavrinek, Trine, & Day found that the Compton Community College District's (District) Instructional Service Agreement (ISA) did not contain all the required elements as required by the California Community Colleges Chancellor's Office (Chancellor's Office). Upon noting the non-compliance, the District removed all the full time equivalent students (FTES) generated through the Universal Beauty School ISA from its 2010-11 Annual Attendance Report (CCFS-320). The auditors then conducted further analysis of the ISAs for the 2008-09 and 2009-10 fiscal years and found the same deficiency. As a result of the additional analysis, it was noted that the district over-reported 265.51 and 197.30 FTES for fiscal years 2008-09 and 2009-10, respectively. The total number of FTES deemed ineligible for apportionment was 462.81 FTES. It is noted in the annual audit mentioned above that corrective action was implemented by the District to ensure future compliance with applicable state apportionment eligibility requirements.

Due to the FTES deemed ineligible for apportionment, the amount of overpayment has been determined to be \$2,082,253. Given the size of the District's unrestricted general fund and the healthy unrestricted general fund reserve, a repayment period of two years should be sufficient. Thus, the District's general-purpose apportionment entitlement will be reduced as follows for previous overpayment:

- 2014-15 reduced by \$1,041,127
- 2015-16 reduced by \$1,041,126

Attached is the detailed calculation based on the revised policies.

Sincerely,

A handwritten signature in black ink that reads 'Dan Troy' with a stylized flourish at the end.

Dan Troy

**Adjustments to Recalculated Apportionments (Compton CCD)
as of 2013-14 P1 (original 2010-11 stability restoration)(allow
2010-11 stability restoration)**

FY	original (funded) (\$)	(recalculated) (\$)	standard adjustment (\$)
2004-05	\$ -	\$ -	\$ -
2005-06			-
2006-07			-
2007-08	26,524,907	26,524,907	-
2008-09	25,708,605	24,524,549	(1,184,056)
2009-10	27,417,906	26,517,266	(900,640)
2010-11	32,005,082	32,007,526	2,444
2011-12	30,017,345	30,017,345	-
2012-13	30,673,246	30,673,246	-
2013-14	31,071,342	31,071,341	(1)
2014-15			
total			\$ (2,082,253)

2012-13	base adjustment (\$)	\$ (1)
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