

0112/100 1/10/04/2004/2
c-1

COLORADO STATE PUBLICATIONS LIBRARY
GA2/100.2/M86/2004/2 local
Chadwick, Steinkirc/Colorado Mountain Ju



3 1799 00034 4796

COLORADO MOUNTAIN JUNIOR COLLEGE DISTRICT

FINANCIAL STATEMENT
STATE-FUNDED STUDENT
ASSISTANCE PROGRAMS

Year Ended June 30, 2004

CHADWICK, STEINKIRCHNER, DAVIS & Co., P.C.
Consultants and Certified Public Accountants





COLORADO MOUNTAIN JUNIOR COLLEGE DISTRICT

**FINANCIAL STATEMENT
STATE-FUNDED STUDENT
ASSISTANCE PROGRAMS**

Year Ended June 30, 2004

CONTENTS

	Page
INTRODUCTION	1
REPORT SUMMARY	2
INDEPENDENT AUDITOR'S REPORT	3
FINANCIAL STATEMENT:	
STATEMENT OF APPROPRIATIONS, EXPENDITURES AND REVERSIONS.....	4
NOTES TO FINANCIAL STATEMENT	5
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL	6
DISPOSITION OF PRIOR AUDIT RECOMMENDATIONS.....	8
AUDIT COMMENTS AND RECOMMENDATIONS	9

Colorado Mountain Junior College District
STATE-FUNDED STUDENT ASSISTANCE PROGRAMS

For the Year Ended June 30, 2004

Copies of this report have been distributed to:

State Auditor's Office (1)

Colorado Commission on Higher Education (2)

Dr. Bob Spuhler, President
Colorado Mountain College (5)

Board of Trustees of Colorado Mountain Junior College District (7)

Joint Legislative Library (1)

State Archivist (permanent copy)

Colorado Mountain Junior College District

STATE-FUNDED STUDENT ASSISTANCE PROGRAMS

For the Year Ended June 30, 2004

Colorado Mountain Junior College District (the College) is a local district college including Eagle, Lake, Pitkin, Summit, Garfield and Routt counties, Colorado. The service area also includes Grand, Jackson and Chaffee counties, Colorado.

The financial and compliance audit of the various state-funded student assistance programs of the College for the year ended June 30, 2004 was directed toward the objectives and criteria set forth in the Colorado Handbook for State-Funded Student Assistance Programs issued by the Colorado Commission on Higher Education (CCHE). The state student financial assistance programs were audited concurrently with the federal financial aid programs for the year ended June 30, 2004.

STATE-FUNDED ASSISTANCE PROGRAMS

The various state-funded student assistance programs at the College include the Colorado Student Grant Program, Colorado Work-Study Program, the Colorado Undergraduate Merit Program, the Governor's Opportunity Scholarship Program, and the Colorado Leveraging Educational Assistance Partnership Program.

The state-funded assistance awards made by the College were \$512,776 during the fiscal year ended June 30, 2004. No state-funded Perkins loan matching was made or required in fiscal year 2004.

The Director of Financial Aid is responsible for administration of these programs. This responsibility includes application processing, eligibility determination, and financial aid packaging, as well as ensuring compliance with regulations governing the participation of the College in federal and state financial aid programs. The College's Dean of Finance and Budget is responsible for the programs' financial management, general ledger accounting, payments, and collections.

During the audit period, the College obtained authorization to award federal student financial aid funds as follows:

Federal Pell Grant Program	\$ 1,260,065
Federal Supplemental Educational Opportunity Grant Program	72,190
Federal Work-Study Program	55,000

During the audit period, the College was authorized to award Colorado student financial aid funds as follows:

Colorado Leveraging Educational Assistance Partnership Program	\$ 18,082
Colorado Student Grant	307,742
Colorado Work-Study	94,424
Colorado Undergraduate Merit	77,528
Governor's Opportunity Scholarship	15,000

Colorado Mountain Junior College District
STATE-FUNDED STUDENT ASSISTANCE PROGRAMS

For the Year Ended June 30, 2004

Report Summary

Purpose and scope of audit

The audit of the state-funded student assistance programs was performed in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States, as revised through 2003. The purpose of the audit was to formulate an opinion on the Statement of Appropriations, Expenditures, and Reversions for the year ended June 30, 2004, and to determine if these programs were administered in accordance with applicable laws, regulations, terms of agreements, and CCHE directives which were set forth in the *Handbook*.

The audit included:

Expressing an opinion on the Statement of Appropriations, Expenditures and Reversions.

Evaluation of the policies, procedures and practices used to administer these programs.

Determination of compliance with applicable sections of the CCHE guidelines contained in the *Colorado Handbook for State-Funded Student Assistance Programs*, 2003 version.

Summary of current year comments

The audit covered the period July 1, 2003 through June 30, 2004 and fieldwork was performed during the period June 21, 2004 through August 22, 2004 at the campus business and student financial aid offices.



INDEPENDENT AUDITORS' REPORT

August 22, 2004

Board of Trustees
Colorado Mountain Junior College District
Glenwood Springs, Colorado

We have audited the accompanying Statement of Appropriations, Expenditures and Reversions of the State-Funded Student Assistance Programs of the Colorado Mountain Junior College District for the year ended June 30, 2004. This financial statement is the responsibility of the College's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note A, this financial statement is prepared in conformity with the accounting practices prescribed or permitted by the Colorado Commission on Higher Education, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the appropriations, expenditures and reversions of the State-Funded Student Assistance Programs of the Colorado Mountain Junior College District for the year ended June 30, 2004 on the basis of accounting described in Note A.

This report is intended solely for the information and use of the Board of Trustees and management of the Colorado Mountain Junior College District and for filing with the Legislative Audit Committee and the Colorado Commission on Higher Education and should not be used for any other purpose.

Chadwick, Steinkirchner, Davis & Co., P.C.

Colorado Mountain Junior College District

STATE-FUNDED STUDENT ASSISTANCE PROGRAMS

STATEMENT OF APPROPRIATIONS, EXPENDITURES AND REVERSIONS

For the Year Ended June 30, 2004

	<u>Colorado Student Grant</u>	<u>Colorado Work- Study</u>	<u>Colorado Under- Graduate Merit</u>	<u>Colorado Leveraging Educational Assistance Partnership</u>	<u>Governor's Opportunity Scholarship</u>	<u>Total Colorado Financial Aid</u>
Appropriations:						
State Authorization	\$ 307,742	\$ 94,424	\$ 77,528	\$ 18,082	\$ 15,000	\$ 512,776
Transfers	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>
Total Appropriations	307,742	94,424	77,528	18,082	15,000	512,776
Expenditures	<u>307,742</u>	<u>160,498</u>	<u>77,738</u>	<u>18,082</u>	<u>25,630</u>	<u>589,690</u>
Reversions to State						
General Fund	<u>\$ -</u>	<u>\$ (66,074)</u>	<u>\$ (210)</u>	<u>\$ -</u>	<u>\$ (10,630)</u>	<u>\$ (76,914)</u>

See accompanying notes to this financial statement.

Colorado Mountain Junior College District
STATE-FUNDED STUDENT ASSISTANCE PROGRAMS
NOTES TO FINANCIAL STATEMENT

June 30, 2004

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Colorado Mountain Junior College District's accounting system is structured and administered in accordance with the accounting principles promulgated by the National Association of College and University Business Officers in the revised publication *College and University Business Administration*, as supplemented by the American Institute of Certified Public Accountants industry audit guide *Audits of Colleges and Universities*. Financial statement presentation and other accounting criteria are included in the *Colorado Handbook for State-Funded Student Assistance Programs*.

All student aid is expended on a cash basis except for Perkins Loans and the College Work-Study Program (CWS). Perkins Loans are recorded as loans receivable when the funds are disbursed. The CWS is on the accrual basis in that the expense is recognized when the services are performed.

Colorado CLEAP consists of state funds and federal funds. The amount shown is the combined total.



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL STRUCTURE

August 22, 2004

Board of Trustees
Colorado Mountain Junior College District
Glenwood Springs, Colorado

We have audited the Statement of Appropriations, Expenditures and Reversions of the State-Funded Student Assistance Programs of the Colorado Mountain Junior College District for the year ended June 30, 2004 and have issued our report thereon dated August 22, 2004.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

In planning and performing our audit of the financial statement of the State-Funded Student Assistance Program of the Colorado Mountain Junior College District for the year ended June 30, 2004 we considered its internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide assurance on the internal control over financial reporting.

The management of the Colorado Mountain Junior College District is responsible for establishing and maintaining internal control over financial reporting. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of internal control 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 to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of internal control to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.



Board of Trustees
Colorado Mountain Junior College District
Page Two

For the purpose of this report, we have classified the significant internal control policies and procedures in the following categories:

- Receipt and Disbursement of Funds
- Eligibility of Recipients and Award Amounts
- Reports to the Colorado Commission on Higher Education

For all of the internal control categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the specific internal control elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control and its operation that we consider to be material weaknesses as defined above.

This report is intended solely for the information and use of the Board of Trustees and management of the Colorado Mountain Junior College District and for filing with the Legislative Audit Committee and the Colorado Commission on Higher Education and should not be used for any other purpose.

Chadwick, Steinkirchner, Davis & Co., P.C.

Colorado Mountain Junior College District
STATE-FUNDED STUDENT ASSISTANCE PROGRAMS
STATUS OF PRIOR YEAR AUDIT COMMENTS AND RECOMMENDATIONS

For the Year Ended June 30, 2004

There were no prior year findings.

Colorado Mountain Junior College District
STATE-FUNDED STUDENT ASSISTANCE PROGRAMS
AUDIT FINDINGS

For the Year Ended June 30, 2004

There were no findings or questioned costs.

