



COLORADO MOUNTAIN JUNIOR COLLEGE DISTRICT

FINANCIAL STATEMENT  
STATE-FUNDED STUDENT  
ASSISTANCE PROGRAMS

Year Ended June 30, 2007





COLORADO MOUNTAIN JUNIOR COLLEGE DISTRICT

FINANCIAL STATEMENT  
STATE-FUNDED STUDENT  
ASSISTANCE PROGRAMS

Year Ended June 30, 2007

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Colorado Mountain Junior College District  
STATE-FUNDED STUDENT ASSISTANCE PROGRAMS

For the Year Ended June 30, 2007

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State Auditor's Office (1)

Colorado Commission on Higher Education (2)

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

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## Colorado Mountain Junior College District

### STATE-FUNDED STUDENT ASSISTANCE PROGRAMS

For the Year Ended June 30, 2007

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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, 2007 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, 2007.

#### 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 \$434,848 during the fiscal year ended June 30, 2007. No state-funded Perkins loan matching was made or required in fiscal year 2007.

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                                 | \$ 922,502 |
| Federal Supplemental Educational Opportunity Grant Program | 23,269     |
| Federal Work-Study Program                                 | 35,199     |

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

|  |           |
|--|-----------|
| Colorado Leveraging Educational Assistance Partnership Program | \$ 18,045 |
| Colorado Student Grant   | 332,801   |
| Colorado Work-Study  | 67,089    |
| Colorado Undergraduate Merit                                   | 16,913    |
| Governor's Opportunity Scholarship                             | 5,880     |

Colorado Mountain Junior College District  
STATE-FUNDED STUDENT ASSISTANCE PROGRAMS

For the Year Ended June 30, 2007

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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 2004. The purpose of the audit was to formulate an opinion on the Statement of Appropriations, Expenditures, and Reversions for the year ended June 30, 2007, 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*, 2004 version.

Summary of current year comments

The audit covered the period July 1, 2006 through June 30, 2007 and fieldwork was performed during the period June 25, 2007 through August 30, 2007 at the campus business and student financial aid offices.

**INDEPENDENT AUDITORS' REPORT**

November 6, 2007

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, 2007. 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, 2007 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, 2007

|                      | Colorado<br>Student<br>Grant | Colorado<br>Work-<br>Study | Colorado<br>Under-<br>Graduate<br>Merit | Colorado<br>Leveraging<br>Educational<br>Assistance<br>Partnership | Governor's<br>Opportunity<br>Scholarship | Total<br>Colorado<br>Financial<br>Aid |
|----------------------|------------------------------|----------------------------|---|--|--|---------------------------------------|
| Appropriations:      |                              |                            |   |  |  |                                       |
| State Authorization  | \$ 332,801                   | \$ 67,089                  | \$ 16,913                               | \$ 18,045  | \$ 5,880                                 | \$ 440,728                            |
| Transfers            | <u>—</u>                     | <u>—</u>                   | <u>—</u>                                | <u>—</u>   | <u>—</u>                                 | <u>—</u>                              |
| Total Appropriations | 332,801                      | 67,089                     | 16,913                                  | 18,045   | 5,880                                    | 440,728                               |
| Expenditures         | <u>332,801</u>               | <u>67,089</u>              | <u>16,913</u>                           | <u>18,045</u>  | <u>—</u>                                 | <u>434,848</u>                        |
| Reversions to State  |                              |                            |   |  |  |                                       |
| General Fund         | <u>\$ —</u>                  | <u>\$ —</u>                | <u>\$ —</u>                             | <u>\$ —</u>  | <u>\$ 5,880</u>                          | <u>\$ 5,880</u>                       |

See accompanying notes to this financial statement.

Colorado Mountain Junior College District

STATE-FUNDED STUDENT ASSISTANCE PROGRAMS

NOTES TO FINANCIAL STATEMENT

June 30, 2007

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**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 ACCOUNTING CONTROL**

November 6, 2007

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

We have examined the financial statements of the State-Funded Student Assistance Programs of Colorado Mountain Junior College District (the College) for the year ended June 30, 2007. As part of our examination, we made a study and evaluation of the system of internal accounting control of the College to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards and the standards of financial and compliance audits contained in the U. S. General Accounting Office:

- ° Receipt and Disbursement of Funds
- ° Eligibility of Recipients and Award Amounts
- ° Reports to the Colorado Commission

Our study included all of the control categories listed above. The purpose of our study and evaluation was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the College's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole or on any of the categories of controls identified above.

The management of the College is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide 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 system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation made for the limited purpose described in the second paragraph would not necessarily disclose all material weaknesses in the system.



Board of Trustees  
Colorado Mountain Junior College District  
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Accordingly, we do not express an opinion on the system of internal accounting control of the College taken as a whole or on any of the categories of controls identified in the first paragraph. However, our study and evaluation disclosed no condition that we believe to be a material weakness in relation to the College's financial information.

This report is intended solely for the use of the College, members of the Legislative Audit Committee and 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, 2007

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There were no prior year findings.

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

For the Year Ended June 30, 2007

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There were no findings or questioned costs.