

**FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FISCAL YEAR ENDED JUNE 30, 2022**

---

***Section I – Summary of Auditors’ Results***

---

***Financial Statements***

1. Type of auditors’ report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes      x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes      x   none reported
3. Noncompliance material to financial statements noted? \_\_\_\_\_ yes      x   no

***Federal Awards***

1. Internal control over major federal programs:
- Material weakness(es) identified? \_\_\_\_\_ yes      x   no
  - Significant deficiency(ies) identified?   x   yes    \_\_\_\_\_ none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?   x   yes    \_\_\_\_\_ no

***Identification of Major Federal Programs***

**Assistance Listing Number(s)**

**Name of Federal Program or Cluster**

84.007, 84.033, 84.063, and 84.268

Student Financial Aid Cluster

84.425E, 84.425F, and 84.425L

COVID-19 - Higher Education Emergency Relief Funds (HEERF)/Coronavirus Aid, Relief and Economic Security (CARES) Act

Dollar threshold used to distinguish between Type A and Type B programs:

Type A - \$1,413,728; Type B - \$353,432

Auditee qualified as low-risk auditee?

  x   yes    \_\_\_\_\_ no

**FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FISCAL YEAR ENDED JUNE 30, 2022**

---

***Section II – Financial Statement Findings***

---

Our audit did not disclose any matters required to be reported in accordance with *Government Auditing Standards* for the year ended June 30, 2022.

**FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FISCAL YEAR ENDED JUNE 30, 2022**

---

***Section III – Findings and Questioned Costs – Major Federal Programs***

---

**Finding 2022-001: Enrollment Reporting**

**Federal Agency:** Department of Education  
**Federal Program:** Student Financial Aid Cluster  
**Assistance Listing Number:** Various  
**Award Period:** July 1, 2021 through June 30, 2022  
**Type of Finding:** Significant Deficiency in Internal Control Over Compliance; Noncompliance

**Criteria**

The Code of Federal Regulations, 34 CFR 685.309(b), states schools must have some arrangement to report student enrollment data to National Student Loan Database Student (NSLDS) through an enrollment roster file. The school is required to report changes in the student's enrollment status, the effective date of the status, and an anticipated completion date.

Also, the Code of Federal Regulations, 34 CFR 682.610, states that institutions must report accurately the enrollment status of all students regardless if they receive aid from the institution or not. Changes to said status are required to be reported within 30 days of becoming aware of the status change, or with the next scheduled transmission of statuses if the scheduled transmission is within 60 days. Regulations require the status include an accurate effective date. There are two categories of enrollment information "Campus Level" and "Program Level" both of which need to be reported accurately. Regulations require the status include an accurate effective date. In addition, regulations require that an institution return the enrollment rosters within 15 days from receipt of the rosters and make necessary corrections and resubmit to NSLDS within 10 days.

**Condition**

Foothill College:

Twenty students from a statistically valid sample identified the following conditions for 6 students:

- 1) The enrollment effective date reported to NSLDS did not match the College's record - 6 students
- 2) The student's enrollment status did not match the College's Record - 1 student

**FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FISCAL YEAR ENDED JUNE 30, 2022**

---

***Section III – Findings and Questioned Costs – Major Federal Programs (Continued)***

---

**Condition (Continued)**

De Anza College:

Twenty students from a statistically valid sample identified 5 students where the change in enrollment status reporting was not received by the NSLDS within the 60 days requirement.

**Questioned Costs**

None

**Context**

The Colleges disbursed \$22,577,668 in Title IV awards during the year.

**Cause**

The College's processes and controls did not ensure that student status changes were properly and timely reported to NSLDS.

**Effect**

The case identified resulted in noncompliance with the Title IV regulation.

**Repeat Finding**

Similar conditions were noted at Foothill College and De Anza College in the 2019-20 (Finding 2020-005) and 2020-21 (Finding 2021-002).

**Recommendation**

We recommend that each College review their existing procedures and controls and identify necessary changes needed to ensure timely reporting of student status changes to NSLDS as required by regulations.

**Views of Responsible Officials and Planned Corrective Actions**

Management concurs with the finding and has developed a plan to correct it.

**FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
FISCAL YEAR ENDED JUNE 30, 2022**

---

***Section IV – Findings and Questioned Costs – State Awards***

---

**Finding 2022-002: State Compliance - Section 424 Student Center Funding Formula Base Allocation: FTES: Contact Hours**

**Criteria:** Census dates should be calculated according to the Student Attendance Accounting Manual (SAAM). For daily census procedure courses, review credit course schedules to determine the correct census day was determined as that nearest one-fifth of the number of sessions scheduled for the course, exclusive of mandatory or local holidays. For short-term daily census courses where the census falls on the first day of the course, the enrollment is to reflect the active enrollment as of the end of the first day, and the census is on the second day.

**Condition:** Our review of census dates identified an independent study daily student contract hour course at Foothill College where the census date was the same as the start date on the apportionment detail report.

**Questioned Costs:** Total decrease of 5.18 Full Time Equivalent Student (FTES). Decrease by census type consist of :

- 4.49 FTES Summer 2021 Intersession Credit
- 0.09 FTES Daily Student Contact Hours (DSCH).
- 0.60 FTES Independent Study Daily Student Contact Hours (DSCH).

Estimated net effect on apportionment is \$21,922.90, per marginal funding of \$4,232.22 per FTES.

**Context:** The College ran a query and identified an additional four independent study daily student contract hour and two daily student contract hour that met this same criteria. Errors are considered isolated and the adjustment to contact hours can be calculated.

**Effect:** Decrease in FTES: 175.05 independent study daily student courses and 72.00 daily student contact hours.

**Recommendation:** Submit a revised Form CCFS-320 Annual Report. Implement procedures to ensure controls are in place to identify input errors in courses built in the student information system are identified timely and ensure the accuracy of the Form CCFS-320.

**Corrective Action Plan:** Banner, our Student Information System, cannot determine the proper Census date for courses that meet less than 10 days. It is known that the census date cannot be the first day of class and that we must adjust the census date for these courses manually each quarter. ETS has created a tool for the Dean of Enrollment Services to find these class sections with census matching the first day of class. This was an oversight by the Dean of Enrollment Services, and procedures have been implemented to run the Argos tool provided by ETS throughout the year to identify and fix these courses.

**FOOTHILL-DE ANZA COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
FISCAL YEAR ENDED JUNE 30, 2022**

Please refer to the attached schedule of prior year findings.



U.S. Department of Education:

Foothill-De Anza Community College District respectfully submits the following corrective action plan for the year ended June 30, 2022.

Audit period: 2021-22

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

## **FINDINGS—FEDERAL AWARD PROGRAMS AUDITS**

### **2022-001 Student Financial Aid Cluster – Enrollment Reporting – Various**

Recommendation: We recommend that each College review their existing procedures and controls and identify necessary changes needed to ensure timely reporting of student status changes to NSLDS as required by regulations.

#### **Foothill College Response**

Explanation of disagreement with finding: There is no disagreement with the finding and the Foothill College will resolve it.

Action taken in response to finding: Using the samples from the findings as an example, the Dean of Enrollment Services will contact with National Student Clearinghouse Audit support and request a review of the data received from the College by 3/1/2023. If the issue is with our data, the College will work our technical support team and request a specialist from Ellucian – Banner that supports the enrollment reporting process. If the issue is merely additional training needed on how to handle the error report file, then additional training will be requested for appropriate Admissions & Records staff for one-on-one training with the National Student Clearinghouse.

Name of the contact person responsible for corrective action: Anthony Cervantes, Dean of Enrollment Services

Planned completion date for corrective action plan: April 1, 2023.

#### **De Anza College Response**

Explanation of disagreement with finding: De Anza College has reported all five students in question within 30 days of their status change to the National Clearing House. However, the NCH failed to report to the NSLDS the change of status within 30 days after we correctly reported the change in enrollment.

The College has provided proof of our reporting to the NCH, but because the students were not reported by the NCH in a timely manner, we are responsible to take actions to correct this process and make sure that the NCH is reporting on time and with right reports.

Action taken in response to finding: The College can see some improvement in numbers of unreported or misreported student records from the NCH to the NSLDS. The Dean of Enrollment Services will continue working with the National Clearing House on the reporting process to avoid discrepancies and delays in the future.

Name of the contact person responsible for corrective action: Nazy Galoyan, Dean of Enrollment Services

Planned completion date for corrective action plan: June 2023.

If the Department of Education has questions regarding this corrective action plan, please call Susan Cheu, Vice Chancellor, Business Services at (650) 949-6202.