



2024-25 REPORT

Audit Exception

California Community Colleges Chancellor's Office | Sonya Christian, Chancellor



California
Community
Colleges

SONYA CHRISTIAN
Chancellor

June 30, 2026

Secretary of the Senate
Erika Contreras
State Capitol, Room 305
Sacramento, CA 95814

RE: 2024-25 California Community Colleges Audit Exception Report

Dear Secretary Contreras,

Pursuant to Education Code section 84040.6, the California Community Colleges Chancellor's Office is pleased to release the 2024-2025 Audit Exception report.

As part of its district fiscal health analysis, the Chancellor's Office reviews annual district audit reports, including financial, state compliance, and federal compliance findings, as well as timely audit report submissions. The 2024-25 audits identified 72 findings, including 17 repeat findings and one district with questioned Full-Time Equivalent Students. Additionally, two districts submitted audit reports after the due date, a recognized fiscal health risk factor. See Table 1 for a summary of audit findings by type.

If you have any further questions on this report, please contact Chris Ferguson, Executive Vice Chancellor of Finance and Strategic Initiatives, at Chris.Ferguson@CCCCO.edu.

Sincerely,

A handwritten signature in black ink that reads "Sonya Christian".

Sonya Christian, Chancellor

Enclosure: Report

CC:
Sue Parker, Chief Clerk of the Assembly
Office of Legislative Counsel

2024-25 AUDIT EXCEPTION REPORT

Prepared By

California Community Colleges Chancellor's Office
College Finance and Facilities Planning Division

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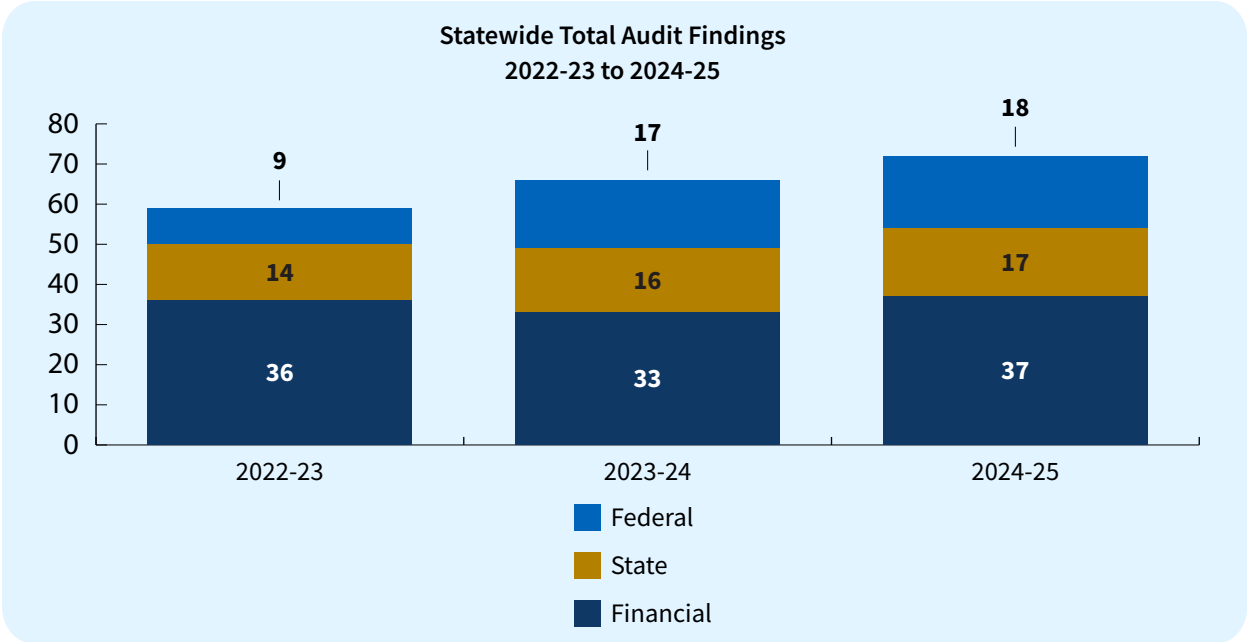
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2024-25 CALIFORNIA COMMUNITY COLLEGES AUDIT EXCEPTION REPORT

STATEWIDE TOTAL AUDIT FINDINGS

The 2024-2025 statewide total audit findings include 18 findings related to financial reporting and other financial accounting issues, 17 findings related to state compliance, and 37 findings related to federal compliance, for a total of 72 audit findings. This represents an increase in federal compliance and financial findings compared to the previous year.

Table 1: Statewide Audit Findings by Type



REPEAT AUDIT FINDINGS

In 2024-25, there were 17 repeat audit findings out of a total of 72 audit findings. Repeat findings were related to internal controls, financial reporting, National Student Loan Data System (NSLDS) reporting, Student Centered Funding Formula reporting, compliance with the Fifty Percent Law, information security, and Return to Title IV requirements. To eliminate audit exceptions and ensure compliance with management improvement recommendations, districts with repeat audit findings are required to develop and implement corrective action plans. These plans describe the actions taken or planned to address the finding, identify the individual responsible for implementation, and establish an expected date for resolution.

QUESTIONED FTES

One district had a finding that resulted in a total of 3.87 questioned credit FTES. The estimated amount of funds associated with the questioned FTES was approximately \$32,284. Chancellor’s Office staff followed up on the questioned FTES to verify whether the reported data had already been corrected by the district and to determine whether additional audit adjustments were necessary.

LATE AUDIT REPORTS

The Chancellor’s Office granted a 45-day extension to the 2024–25 audit report due date due to the delayed release of the 2025 Federal Compliance Supplement. As a result, the extended due date was February 14, 2026. All districts ultimately submitted audit reports; however, two districts submitted their reports after the extended due date. Late audit report submissions are considered a fiscal health risk factor and may indicate organizational or operational challenges within a district.

Front cover photo
San Diego Miramar College

Photo at right:
Los Angeles Pierce College

Back cover photo:
El Camino College



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