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Memorandum

May 15, 2017

Fiscal Services Memo 17-05
Via E-mail Only

To: Chief Student Services Officers
Chief Business Officers

From: Frances Parmelee, Assistant Vice Chancellor
College Finance and Facilities Planning Division

Subject: Summary of 2015-16 Student Success and Support Program Audit Findings

Pursuant to Education Code, section 84040 and California Code of Regulations, Title 5, section 55511, the Student Success and Support Program (SSSP) was audited for fiscal year 2015-16, which resulted in five districts having SSSP-related audit findings. The Chancellor's Office determined these findings will not result in funding adjustments because this was the first year SSSP was audited. Although that was the decision for 2015-16 audits, any future audit findings will result in categorical payment reductions consistent with the Fiscal Services Memorandum 14-08.

It is important to be aware 2016-17 SSSP Expenditure Guidelines were updated and became effective February 15, 2017. Refer to the Memorandum AA 17-11/SS17-03, 2016-17 Expenditure Guidelines, and the 2016-17 Contracted District Audit Manual (State Compliance Test 429 – SSSP Program Funds) for more details and guidance.

To help districts improve accountability over SSSP expenditures and minimize the risk of future categorical payment reductions, we summarized the 2015-16 findings into two broad categories.

Unallowable Expenditures

Two instances were identified as "expenses not allowed" ($691.99 for office furniture and $7,128 for gift cards and t-shirts). However, as noted above, the 2016-17 SSSP Guidelines have been revised and all expenditures should be "justifiable and reasonable."

Lack of Adequate Documentation

Three instances were identified in which services submitted for apportionment were not supported by adequate documentation. Specifically:

- Two students were inappropriately counted for “Initial Orientation Services” in Fall 2015 when they had previously been counted for that service. “Initial Orientation” can only be counted once and any subsequent orientation-type services should be counted in “Other Services”.

- Services provided to, or received by, the students in the Summer 2015 term were reported as part of the Fall 2015 services. Also, services reported were not consistently supported by appropriate documentation. The audit resulted in questioned costs for the following samples tested:

    - Education Plan Services: 8 of 25 students tested.
    - Counseling / Advertisement: 7 of 29 students tested.
    - Initial Assessments: 7 of 10 students tested.
    - Initial Orientations: 6 of 6 students tested.
    - Other Services: 3 of 19 students tested.

- A district had no support documentation for two students counted as receiving "Other Services".

Contacts

For additional information or questions, please contact the following individuals:

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