

**LOS ANGELES COMMUNITY COLLEGE DISTRICT**

Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

Federal grantor/pass-through grantor/program title	Federal CFDA or project number	Award or pass-through identification number	Expenditures
U.S. Department of Agriculture :			
Direct programs :			
Borlaug Fellowship Program -- Feed the Future	10.777	58-3148-2-259	\$ 3,320
Subtotal direct programs			3,320
Pass-through California Department of Education:			
Child Care Food Program	10.558	04056-CACFP-19-CC-CS	634,451
Pass-through California Department of Health Services:			
Network for a Healthy California	10.561	11-10217	234,213
Network for a Healthy California	10.561	10-10039	176,309
Total U.S. Department of Agriculture			<u>1,048,293</u>
U.S. Department of Labor:			
Direct programs:			
H-1B Technical Skills Training Grants	17.268	HG-22731-12-60-A-6	1,057,945
H-1B Technical Skills Training Grants	17.268	HG-22706-12-60-A-6	552,619
Trade Adjustment Assistance Community College and Career Training	17.282	TC-23756-12-60-A-6	837,975
Los Angeles Healthcare Competency to Career Consortium	17.282	TC-25-083-13-60-A-6	177,058
Los Angeles Healthcare Competency to Career Consortium	17.282	TC-25-084-13-60-A-6	5,150
Los Angeles Healthcare Competency to Career Consortium	17.282	TC-25-085-13-60-A-6	75,204
Los Angeles Healthcare Competency to Career Consortium	17.282	TC-25-086-13-60-A-6	131,944
Los Angeles Healthcare Competency to Career Consortium	17.282	TC-25-087-13-60-A-6	2,332
Los Angeles Healthcare Competency to Career Consortium	17.282	TC-25-088-13-60-A-6	9,661
Los Angeles Healthcare Competency to Career Consortium	17.282	TC-25-089-13-60-A-6	134,624
Los Angeles Healthcare Competency to Career Consortium	17.282	TC-25-091-13-60-A-6	240,166
Pass-through City of Los Angeles:			
Boyle Heights Youth Opportunity	17.259	13100220466	12,218
Youth Worksource Center	17.259	123422	507,462
Teacher Pathways	17.259	TS250	53,481
Pass-through Community Career Development, Inc/			
Wilshire-Metro WorkSource Center:			
Biomedical Sector Initiative Program	17.258	C-120926	43,604
Biomedical Sector Initiative Program	17.278	C-120926	41,362
Biomedical Sector Initiative Program	17.277	C-120926	6,989
Biomedical Sector Initiative Program	17.802	C-120926	3,045
Compton WorkSource Center/Community Career Development	17.258	K391995	2,250
Compton WorkSource Center/Community Career Development	17.278	K391995	1,500
Compton WorkSource Center/Community Career Development	17.802	K391995	2,250
Pass-through Employment Development Department:			
Urban Teacher Fellowship Program	17.261	K182086	35,921
Pass-through Forsyth Technical Community College:			
Consortium for Bioscience Credentials	17.282	FTCC-LAVC	358,563
Pass-through Coalition for Responsible Community Development:			
YouthBuild Program	17.274	YB-24556-13-60-A-6	73,551
Pass-through Jewish Vocational Service:			
Community-Based Job Training Grants	17.269	CB-20561-10-60-A-6	268,903
Pass-through South Bay Workforce Investment Board:			
South Bay-Workforce Investment Board 1Tr	17.245	13-W107	939
Pass-through Managed Career Solutions, Inc/Hollywood WorkSource Center:			
Entertainment Industry Sector Grant	17.258	TS205	13,575
Entertainment Industry Sector Grant	17.278	TS205	9,050
Pass-through Northern Virginia Community College:			
Credential Career Program	17.282	NW#TC-23776-12-60-A-51	197,367
Total U.S. Department of Labor			<u>4,856,708</u>
National Science Foundation:			
Direct programs:			
A 2+2+2 Model for an Environmental Science and Technology Program	47.076	1003563	21,769
Academic and Student Support to Improve STEM Transfers	47.076	1068483	420,241
Riding the Road Map to Transfer Program	47.076	1154552	81,006
Consortium for Undergraduate Research Experiences	47.049	AST-1156756	80,559
Total National Science Foundation			<u>603,575</u>
U.S. Department of Energy:			
Pass-through Employment Development Department:			
American Recovery and Reinvestment Act (ARRA):			
LATTC Weatherization and Energy Efficiency Training Center	81.042	DE-EE0004134	39,073
Pass-through Stanford Transportation Group LLC:			
DOE Stadford Transportation Group Grant	81.106	41409	1,800
Total U.S. Department of Energy			<u>40,873</u>

**LOS ANGELES COMMUNITY COLLEGE DISTRICT**

Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

Federal grantor/pass-through grantor/program title	Federal CFDA or project number	Award or pass-through identification number	Expenditures
U.S. Department of Education:			
Direct programs:			
Higher Education Act :			
Higher Education Institutional Aid	84.031		\$ 7,411,614
Student Support Services	84.042		1,952,702
Talent Search	84.044		416,670
Upward Bound	84.047		2,658,345
Educational opportunity centers	84.066		190,497
Fund for the Improvement of Postsecondary Education	84.116		96,631
Strengthening Minority-Serving Institutions-Flying into the Future	84.382		1,422,380
Student Financial Assistance:			
Federal Supplement Educational Opportunity Grants (FSEOG)	84.007		2,425,914
Federal Work Study Program	84.033		2,329,823
Federal Perkins Loan Program	84.038		382,697
Federal Pell Grant Program	84.063		189,917,604
Federal Direct Student Loans	84.268		33,708,620
Subtotal direct programs			<u>242,913,497</u>
Pass-through California Community College's Chancellors Office:			
Perkins Title IC	84.048	13-C01-027	4,413,330
Tech Prep Education - Los Angeles City College	84.048	13-112-741	44,025
Tech Prep Education - East Los Angeles College	84.048	13-112-748	44,025
Tech Prep Education - Los Angeles Harbor College	84.048	13-112-742	44,025
Tech Prep Education - Los Angeles Mission College	84.048	13-112-743	44,025
Tech Prep Education - Los Angeles Pierce College	84.048	13-112-744	44,025
Tech Prep Education - Los Angeles Southwest College	84.048	13-112-745	44,025
Tech Prep Education - Los Angeles Trade Technical College	84.048	13-112-746	44,025
Tech Prep Education - Los Angeles Valley College	84.048	13-112-747	44,025
Tech Prep Education - West Los Angeles College	84.048	13-112-749	44,025
Pass-through California Department of Education:			
Adult Education and Family Literacy & English Literacy	84.002	13-6474-00	1,766,009
Pass-through San Mateo County Community College District/Canada College:			
California Alliance for the Long-term Strengthening of Transfer Engineering Programs	84.031	P031C110159	66,048
Pass-through Los Angeles Unified School District:			
GEAR UP	84.334	1200250	64,588
GEAR UP	84.334	1200251	74,542
Pass-through Marymount College/Project GRAD Los Angeles:			
GEAR UP	84.334	PGLA 2011-18	58,261
Pass-through University of Southern California:			
USC TRIO Upward Bound Program	84.047	4500193010	118,210
Pass-through California State University Dominguez Hills:			
Title V Hispanic Serving Institution Cooperative	84.031	P031S110042	303,325
Subtotal pass-through programs			<u>7,260,538</u>
Total U.S. Department of Education			<u>250,174,035</u>
U.S. Department of Health and Human Services:			
Pass-through State of California Department of Public Health:			
Temporary Assistance for Needy Families (TANF)	93.558	4362501711014	995,546
Pass-through California Department of Education:			
Family Child Care Homes	93.575	CFCC-3011	103,938
Family Child Care Homes	93.596	CFCC-3011	189,385
California State Preschool	93.575	CSPP-2206	252,812
California State Preschool	93.596	CSPP-2206	530,006
General Child Care and Development Program	93.575	CCTR-2108	174,939
General Child Care and Development Program	93.596	CCTR-2108	366,750
Pass-through Los Rios Community College District:			
American Recovery and Reinvestment Act (ARRA):			
Educating Information Technology Professionals in Health Care	93.721	90CC076/01 - 759100	117,637
Pass-through University of California, Los Angeles:			
UCLA Bridges to the Baccalaureate Program	93.859	0519 G PA140	63,793
UCLA Bridges to the Baccalaureate Program	93.859	0519 G PA082	68,885
Total U.S. Department of Health and Human Services			<u>2,863,691</u>
U.S. Department of Homeland Security:			
Direct programs:			
Homeland Security-Computer Science Bridge Project	97.062	2011-ST-062-000044	55,439
Total U.S. Department of Homeland Security			<u>55,439</u>

**LOS ANGELES COMMUNITY COLLEGE DISTRICT**

Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

<u>Federal grantor/pass-through grantor/program title</u>	<u>Federal CFDA or project number</u>	<u>Award or pass-through identification number</u>	<u>Expenditures</u>
U.S. Department of Transportation: Federal Transportation Administration: Pass-through Los Angeles County Metropolitan Transportation Authority: Metro University	20.514	CA-26-7100	\$ <u>33,781</u>
Total U.S. Department of Transportation			<u>33,781</u>
Corporation for National and Community Service: American Recovery and Reinvestment Act (ARRA): Americorps	94.006	N/A	<u>477,955</u>
Total Corporation for National and Community Service			<u>477,955</u>
Total Expenditures of Federal Awards			\$ <u><u>260,154,350</u></u>

See accompanying independent auditors' report.

LOS ANGELES COMMUNITY COLLEGE DISTRICT

Schedule of State Financial Awards

Year ended June 30, 2014

Program name	Cash received	Accounts receivable	Deferred income	Total program revenue	Total program expenditures
Disabled Students Program and Services	\$ 4,934,839	—	—	4,934,839	6,675,206
Student Success and Support (Credit)	7,485,040	—	—	7,485,040	5,424,856
Student Success and Support (Noncredit)	765,396	—	—	765,396	441,915
Student Financial Aid Administration	5,004,378	—	—	5,004,378	5,041,258
One-Time Block Grant/Instructional Equipment/Deferred Maintenance	2,428,976	—	—	2,428,976	2,064,002
Basic Skills	1,380,022	—	—	1,380,022	1,149,459
Extended Opportunity Program and Services (EOPS)	9,637,148	—	—	9,637,148	9,637,147
Cooperative Agencies Resource for Education (CARE)	831,633	—	—	831,633	816,621
CalWORKS Program	5,354,865	—	95,149	5,259,716	5,259,716
Telecommunication and Technology Infrastructure Program	—	—	—	—	9,041
Foster Care Program	734,661	419,331	—	1,153,992	1,153,992
Staff Development	—	—	—	—	12,928
Faculty and Staff Diversity	32,266	—	—	32,266	77,282
Nursing Program	1,636,781	167,302	92,213	1,711,870	1,711,870
Youth Empowerment Strategies for Success	207,550	—	—	207,550	207,550
Economic and Workforce Development	1,373,661	367,079	325,680	1,415,060	1,423,928
Career Technical Education	1,629,756	9,753	204,922	1,434,587	1,434,577
Math, Engineering and Science Achievement (MESA)	60,651	—	6,449	54,202	54,202
Middle College High School (MCHS)	39,600	58,210	—	97,810	97,810
After School Education and Safety Program	282,420	30,161	—	312,581	312,581
ESL/Basic Skills Professional Development	1,008,265	581,400	—	1,589,665	1,589,664
Other State Assistance Programs	639,290	1,181,495	36,953	1,783,832	1,775,337
Child Development Pre-School Care	2,155,375	415,759	—	2,571,134	2,571,134
Child Development Services	512,213	63,518	—	575,731	599,468
Family Child Care Homes Network	296,535	—	—	296,535	296,535
CAL Grants	9,994,104	—	—	9,994,104	9,994,104
Osher Scholar	30,250	—	4,250	26,000	26,000
Total state programs	\$ 58,455,675	3,294,008	765,616	60,984,067	59,858,183

See accompanying independent auditors' report.

**LOS ANGELES COMMUNITY COLLEGE DISTRICT**

Notes to Schedules of Expenditures of Federal and State Financial Awards

Year ended June 30, 2014

**(1) General**

The accompanying schedule of expenditures of federal awards and schedule of state financial awards present the activity of all federal and state financial assistance programs of the Los Angeles Community College District (the District). The District's reporting entity is defined in the basic financial statements. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies are included in the schedules.

**(2) Basis of Accounting**

The accompanying schedule of expenditures of federal awards and schedule of state financial awards are presented using the accrual basis of accounting.

**(3) Reconciliations to Basic Financial Statements**

Amounts reported in the accompanying schedule of state financial awards agree with the amounts reported in the related basic financial statements, in all material respects.

State revenue in fund financial statements:

General Fund	\$ 356,567,546
Special Revenue Fund	10,814,859
Student Financial Aid Fund	<u>14,560,152</u>
Total state revenue in fund financial statements	\$ <u><u>381,942,557</u></u>
Total state revenue in accompanying schedule	\$ 60,984,067
Add:	
General Fund:	
Basic and equalization aid	293,815,023
State lottery	14,935,201
Tax relief subvention	3,022,385
Other state funds	<u>2,857,131</u>
Total other General Fund revenue	<u>314,629,740</u>
Special Revenue Fund:	
Community College Construction Act	<u>6,328,750</u>
Total state revenue in fund financial statements	\$ <u><u>381,942,557</u></u>

**LOS ANGELES COMMUNITY COLLEGE DISTRICT**

Notes to Schedules of Expenditures of Federal and State Financial Awards

Year ended June 30, 2014

**(4) Loans Outstanding**

The District made the following advances and had the following loans outstanding, which were held by the District as of June 30, 2014. Loan advances made are included in the federal expenditures presented in the schedule of expenditures of federal awards.

<u>Cluster name/program title</u>	<u>CFDA number</u>	<u>Loan advances made</u>	<u>Loan balances outstanding</u>
Student financial aid cluster:			
Federal Perkins Loans (FPL)	84.038	\$ 377,300	4,031,578
Federal Direct Student Loans	84.268	33,708,620	—
Nursing Student Loans	93.364	—	73,220

**(5) Administrative Cost Allowances**

Administrative cost allowances included in the accompanying schedule of expenditures of federal awards are summarized as follows:

Federal Supplemental Educational Opportunity Grant	\$ 109,759
Federal Work-Study Program	86,776
	<u>\$ 196,535</u>

**(6) Federal Clusters of Programs**

The following table summarizes the expenditures of federal program clusters included in the schedule of expenditure of federal awards:

	<u>CFDA number</u>	<u>Expenditures</u>
Student Financial Assistance Cluster:		
Federal Supplemental Educational Opportunity Grants (FSEOG)	84.007	\$ 2,425,914
Federal Work Study (FWS)	84.033	2,329,823
Federal Perkins Loan Program (FPL)	84.038	382,697
Federal Direct Student Loans (Direct Loan)	84.268	33,708,620
Federal Pell Grant Program (PELL)	84.063	189,917,604
		<u>\$ 228,764,658</u>

**LOS ANGELES COMMUNITY COLLEGE DISTRICT**

Notes to Schedules of Expenditures of Federal and State Financial Awards

Year ended June 30, 2014

	<u>CFDA number</u>	<u>Expenditures</u>
Child Care Development Fund Cluster:		
Family Child Care Homes	93.575	\$ 103,938
Family Child Care Homes	93.596	189,385
California State Preschool	93.575	252,812
California State Preschool	93.596	530,006
General Child Care and Development Program	93.596	366,750
General Child Care and Development Program	93.575	174,939
		<u>\$ 1,617,830</u>
TRIO Cluster:		
Student Support Services	84.042	\$ 1,952,702
Talent Search	84.044	416,670
Upward Bound	84.047	2,776,555
Educational Opportunity Centers	84.066	190,497
		<u>\$ 5,336,424</u>
TANF Cluster:		
Temporary Assistance for Needy Families (TANF)	93.558	\$ <u>995,546</u>
Workforce investment Act (WIA) Cluster:		
Boyle Heights Youth Opportunity	17.259	\$ 12,218
Youth Worksource Center	17.259	507,462
Teacher Pathways	17.259	53,481
Biomedical Sector Initiative Program	17.258	43,604
Biomedical Sector Initiative Program	17.278	41,362
Compton WorkSource Center/Community Career Development	17.258	2,250
Compton WorkSource Center/Community Career Development	17.278	1,500
Entertainment Industry Sector Grant	17.258	13,575
Entertainment Industry Sector Grant	17.278	9,050
		<u>\$ 684,502</u>

## Independent Accountants' Report on State Compliance Requirements

The Honorable Board of Trustees  
Los Angeles Community College District  
Los Angeles, California:

We have examined the compliance of the Los Angeles Community College District's (the District) with the following state laws and regulations for the year ended June 30, 2014 in accordance with Section 400 of the Chancellor's Office's California Community Colleges Contracted District Audit Manual (CDAM):

- Salaries of Classroom Instructors: 50% Law (421)
- Apportionment for Instructional Service Agreements/Contracts (423)
- State General Apportionment Funding System (424)
- Residency Determination for Credit Courses (425)
- Students Actively Enrolled (426)
- Concurrent Enrollment of K-12 Students in Community College Credit Courses (427)
- Scheduled Maintenance Program (430)
- Gann Limit Calculation (431)
- Open Enrollment (435)
- Student Fees – Health Fees and Use of Health Fee Funds (438)
- Proposition 39 Clean Energy (439)
- Extended Opportunity Programs and Services (EOPS) and Cooperative Agencies Resources for Education (CARE) (474)
- Disabled Student Programs and Services (DSPS) (475)
- To be Arranged Hours (TBA) (479)
- Proposition 1D State Bond Funded Projects (490)
- Proposition 30 Education Protection Account Funds (491)

Compliance with the requirements referred to above is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our examination.





Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with the specified requirements.

In our opinion, except for findings S-2014-01 through S-2014-04 described in the accompanying schedule of state findings and recommendations, the District complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2014.

The District's responses to the noncompliance findings identified in our examination are described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the auditing procedures applied in the examination of compliance and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of the Board of Trustees, Audit Committee, District's management, the California Community Colleges Chancellor's Office, and is not intended to be and should not be used by anyone other than these specified parties.

*Virquy + Company LLP*

Los Angeles, California  
December 3, 2014

**Report of Independent Auditors on Compliance for Each Major Federal Program  
and on Internal Control Over Compliance Required by  
OMB Circular A-133**

The Honorable Board of Trustees  
Los Angeles Community College District  
Los Angeles, California

**Report on Compliance for Each Major Federal Program**

We have audited Los Angeles Community College District's (the District's) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2014. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to each of its federal programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

***Opinion on Each Major Federal Program***

X In our opinion, Los Angeles Community College District complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.



### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as Findings F-2014-01 through F-2014-05. Our opinion on each major federal program is not modified with respect to these matters.

The District's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

### **Report on Internal Control over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as Findings F-2014-01 through F-2014-05, that we consider to be significant deficiencies.

The District's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The District's response were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.



The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Vargus + Company LLP*

Los Angeles, California  
December 3, 2014

**Independent Auditors' Report on Schedule of Expenditures of Federal Awards and Schedule of State Financial Awards**

The Honorable Board of Trustees  
Los Angeles Community College District  
Los Angeles, California

**Report on the Schedule of Expenditures of Federal Awards and Schedule of State Financial Awards**

We have audited the accompanying schedule of expenditures of federal awards and schedule of state financial awards of the Los Angeles Community College District (the District) for the year ended June 30, 2014.

***Management's Responsibility for the Schedule of Expenditures of Federal Awards and Schedule of State Financial Awards***

Management is responsible for the preparation and fair presentation of the schedule of expenditures of federal awards and schedule of state financial awards in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedule of expenditures of federal awards and the schedule of state financial awards that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 schedule of expenditures of federal awards and schedule of state financial awards are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule of expenditures of federal awards and schedule of state financial awards. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the schedule of expenditures of federal awards and schedule of state financial awards, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule of expenditures of federal awards and the schedule of state financial awards in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the



overall presentation of the schedule of expenditures of federal awards and schedule of state financial awards. We believe that our audit provides a reasonable basis for our opinion.

***Opinion on the Schedule of Expenditures of Federal Awards and Schedule of State Financial Awards***

In our opinion, the schedule of expenditures of federal awards and schedule of state financial awards referred to above presents fairly, in all material respects, the federal and state expenditures of the Los Angeles Community College District for the year ended June 30, 2014, in conformity with accounting principles generally accepted in the United States of America.

***Other Information***

Our audit was made for the purpose of forming an opinion on the schedule of expenditures of federal awards and the schedule of state financial awards of the District. The accompanying supplementary information listed below is presented for purposes of additional analysis and is not a required part of the schedule of expenditures of federal awards and the schedule of state financial awards.

- Reconciliation of the CCFS-311 data to audited financial statements.
- Reconciliation of the 50% Law Calculation to audited financial statements.
- Reconciliation of Education Protection Account expenditures to audited financial statements.
- Schedule of Workload Measure for State General Apportionment.

The accompanying supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the schedule of expenditures of federal awards and the schedule of state financial awards. Such information has been subjected to the auditing procedures applied to the audit of the schedule of expenditures of federal awards and schedule of state financial awards and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the schedule of expenditures of federal awards and the schedule of state financial awards or to the schedule of expenditures of federal awards and the schedule of state financial awards themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the accompanying supplementary information is fairly stated, in all material respects, in relation to the schedule of expenditures of federal awards and the schedule of state financial awards as a whole.

This report is intended solely for the information and use of the Board of Trustees, Audit Committee, District's management, the California Community Colleges Chancellor's Office, and the federal and state awarding and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*V&C + Company LLP*

Los Angeles, California  
December 3, 2014