

**MEETING OF AUDIT COMMITTEE
Community College of Philadelphia
Friday, September 28, 2018 – 10:00 a.m.**

Present: Mr. Anthony J. Simonetta, Mr. Jeremiah White, Donald Generals, Ed.D., Ms. Suzanne Biemiller (via telephone), Mr. Jacob Eapen, Mr. Gim Lim, Mr. Robert Lucas, Victoria Zellers, Esq.; and representing Grant Thornton: Mr. Brian Page (via telephone), Ms. Angelica Roiz and Ms. Dianne Arsenault.

Not Present: Mr. Matthew Bergheiser, Mr. James P. Spiewak, and presenting the Meridian Group: Mr. Anthony B. Scott

AGENDA – PUBLIC SESSION

1. Approve Minutes of Audit Committee Meeting on June 21, 2018 (Action Item):

Action: Mr. Simonetta asked for a motion to approve the June 21, 2018 Audit Committee meeting minutes (Attachment A). Ms. Biemiller made the motion. Mr. White seconded the motion. The motion passed unanimously.

2. 2017-18 Fiscal Year Audit Report (Action Item):

Attachment B and Attachment C contain audit results for the 2017-2018 fiscal year made by Mr. Brian Page, Engagement Partner; Ms. Angelica Roiz, Senior Manager; and Ms. Dianne Arsenault, Manager from Grant Thornton. Mr. Simonetta requested Mr. Page to provide a walk-through of the draft financial statements so the Committee Members can get an appreciation for what is included. Mr. Page began the discussion by apologizing for the delay in providing a draft of the statements to the Committee Members noting the additional time required on both sides to prepare the draft. The adoption of GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions was noted on the Report of Independent Certified Public Accountants section. The College elected a single year presentation of the financial statements since it was the first year of the adoption.

Mr. Page proceeded to provide an overview of the Statement of Net Position. New this year was the bond proceeds of \$16 million, which was appropriately classified under Noncurrent assets as required by GASB. Capital assets decreased slightly as depreciation exceeded acquisition of new assets. Deferred outflows of resources decreased by about \$900,000 from the loss of debt refinancing. Mr. Jacob noted the College will, however, experience overall savings over time from the refunding after taking the loss into consideration. Mr. Page noted that current liabilities were consistent with the previous year. Mr. White asked for clarification on the unearned revenue item. Mr. Page explained it included mainly tuition and grants. He continued to highlight long-term debt increasing by about \$8 million and unamortized bond premium increasing by \$1.4 million. The

increase in deferred inflows resulted primarily from the adoption of GASB 75. Mr. Simonetta asked whether our rating agency has been notified of the impact of GASB 75. Mr. Eapen mentioned that Moody's was briefed during discussions related to the 2018 bond issue. Ms. Biemiller asked whether management had determined at what point in time the payment of the Other Postemployment Benefits (OPEB) liability would become a major challenge.

Mr. Page mentioned that the College has a "pay as you go" plan and the expenses will increase as more eligible employees retire. Mr. Eapen added that the postemployment benefits are covered by the Rule of 77 in the Collective Bargaining Agreement. Revenues from tuition and fees increased slightly due to the \$6 per credit tuition increase during the year. Expenses were lower than the previous year mainly from instructional and miscellaneous savings. Capital appropriation increased due to the College's decision to apply more of the City's appropriation to capital instead of operating funds. When asked by Mr. Simonetta, Mr. Eapen confirmed that once the decision is made to apply the City's appropriation to capital, it cannot be reversed. Mr. Page continued the walk through the financial statements covering deposits and investments, accounts receivables, allowance for doubtful accounts, capital assets, debt and noted that the College's ending cash position improved by about \$1 million. On the question of service cost in Note H., Mr. Page explained that was the OPEB expense computed by our actuaries. A brief discussion was held related to the interaction between the College's and Grant Thornton's actuaries, wherein Ms. Roiz indicated the Grant Thornton actuaries were comfortable with the assumptions used in the calculation of the OPEB liability. On the Supplementary Information section, Mr. Page informed the Committee of the additional disclosures required by GASB 75. Mr. White had a question on the ratio between short-term investments versus long-term investments. Mr. Page mentioned that while it was not in their area of review, he believes it was not far off from the industry.

With no further questions on the financial statements, Ms. Roiz proceeded with the 2018 Audit Wrap-Up Presentation. She proceeded reviewing communications, roles and responsibilities for the financial statements including the auditors, the Board (and Audit Committee).

Ms. Roiz then discussed the audit timeline, scope and areas of significant risk. Specifically, Grant Thornton considered GASB 75 as a significant risk and appropriately engaged their internal actuarial service group to review the assumptions, discount rates and the general work performed by Clarity in Numbers, the actuaries engaged by the College. Grant Thornton also tested the data the College provided to Clarity in Numbers to ensure completeness and accuracy.

Ms. Arsenault then provided an overview of other areas of focus and the use of technology support as part of the audit process. Their area of focus were systems related to output of the financial reports. Further discussions on system controls were moved to Executive Session.

Mr. Page then selected two upcoming pronouncements from the presentation for discussion. GASB 83 relates to certain asset retirement obligations. As an example, Mr. Page mentioned that GASB 83 does not cover existing asbestos unless the College is performing renovations or remediation. GASB 87 will require the College to capitalize leases. The College will recognize a lease liability and an intangible right-to-use lease asset. GASB 87 will replace the current practice of classifying leases as 'operating' or 'capital' based on certain tests. On the industry outlook, Mr. Page mentioned that Moody's outlook has shifted to 'Negative' from two years of 'stable'. The reasons for the shift were

listed on the handout. There was a brief discussion on regulatory changes affecting enrollment and work force development. There were no further questions.

Action: Mr. White made a motion to recommendation to accept the 2017-2018 Grant Thornton Financial Statement Audit to the full Board of the College. Ms. Biemiller seconded. The motion passed unanimously.

*Please note that the 2017-2018 Financial Statements are appended separately to the minutes.

3. Internal Audit Plan (Information Item):

Mr. Lucas provided a report on the status of the 2016-2018 Audit Plan and an update on the 2018-2020 Internal Audit Plan. He provided a copy of a summary report of activities since the last Audit Committee meeting. Mr. Lucas stated that, since the last meeting, he had issued two draft audit reports, is working on another audit, and noted two other audits for which he expects to complete the audit work by the end of the year.

Mr. Lucas also informed the Committee that the proposed 2018-2020 Internal Audit Plan he had provided to them at the June 2018 meeting had been approved by senior management. He had included a copy of the approved Internal Audit Plan in the advance materials sent to the Committee Members. Mr. Lucas noted that the approved version was the same as the proposed one with the exception of a timing change for two of the audits listed in the plan.

Mr. Simonetta asked Mr. Lucas if he considers the cyber-related risks to the College within the planning and performance of the internal audits. Mr. Lucas noted that there are usually several IT internal Audits on the audit plan each period and that management is well aware there are constant risks related to the IT environment, as there are across all colleges and all companies. Mr. Lucas noted that the recent audits of the Emergency Operations Plan and the Disaster Response and Recovery Plan included findings related to the College's plans for responding to cyber-attacks.

Mr. Lucas also provided a brief summary of the status of the Internal Audit Follow Up Matrix, which also had been sent to the members in advance. This spreadsheet lists previously issued audit comments, the related action plans to be performed by management and a target date for the actions. Mr. Lucas stated that two of the action plans were shaded indicating the actions taken by management that had been completed since the last meeting. Mr. Lucas had noted earlier in the meeting that the comments and actions in the issued draft audit reports would be added to this matrix as soon as the audit reports were finalized with management responses.

The Public Session of the Audit Committee meeting was then adjourned.

4. March 2019 Meeting Date (Information Item):

The next meeting will be to discuss the results of the College's Uniform Guidance Audit. This meeting is tentatively scheduled for the month of March, since the deadline to submit the results to the Department of Education is March 31st of each year.

EXECUTIVE SESSION

An Executive Session was held with Audit Committee, the College staff and the independent auditors in attendance. The Committee also met separately with the Internal Auditor and separately with the independent auditors.

GSL/lh
Attachments

cc: Dr. Donald Generals
Mr. Jacob Eapen
Mr. Robert Lucas
Mr. Jim Spiewak
Victoria Zellers, Esq.
Representing Grant Thornton: Mr. Brian Page
Representing Grant Thornton: Ms. Angelica Roiz
Representing the Meridian Group: Mr. Anthony B. Scott

ATTACHMENT A

**Minutes from June 21, 2018
Audit Committee Meeting**

MEETING OF AUDIT COMMITTEE
Community College of Philadelphia
Thursday, June 21, 2018 – 12:00 p.m.

Present: Mr. Anthony J. Simonetta, Mr. Jeremiah White, Mr. Matthew Bergheiser (via Conference call), Donald Generals, Ed.D., Mr. Jacob Eapen, Mr. James P. Spiewak, Mr. Gim S. Lim, Mr. Robert Lucas, and representing Grant Thornton: Mr. Brian Page

Not Present: Ms. Suzanne Biemiller, Victoria Zellers, Esq., and Representing the Meridian Group: Mr. Anthony B. Scott

AGENDA – PUBLIC SESSION

(1) Approve Minutes of Audit Committee Meeting on March 28, 2018 (Action Item):

Action: Mr. Simonetta asked for a motion to recommend approval of the March 28, 2018 Audit Committee meeting minutes (Attachment A). Mr. White made the motion. Mr. Bergheiser seconded the motion. The motion passed unanimously.

(2) 2017-2018 Audit Process (Information Item):

Attachment B contains the formal presentation made by Mr. Brian Page, Engagement Partner from Grant Thornton. Mr. Page began his discussion by reviewing the information contained in slides two and three that addressed the responsibilities of Grant Thornton and the responsibilities of the College's Governance Team and Management. Mr. White asked Mr. Page about the work performed in his practice of auditing higher education institutions if any were relating to the awareness of whistleblower tips or complaints. Mr. Page explained that they usually review the process and outcomes. Based on past experience, there were a few of these complaints in other higher education institutions and they are usually related to HR issues. Mr. Page proceeded to provide an overview of the Audit Timeline and Scope for this year's audit, areas of focus, audit approach and discussed various topics including materiality, risks and awareness of fraud, internal controls, and the use of work of others. Mr. White asked about grants held by the Foundation. Mr. Page explained that the Foundation is considered a component unit of the College and grant activities are reviewed based on inter-fund transfers between the Foundation and the College.

On investments, Mr. Page explained that they will report to the Committee if they find that investment activities are not in compliance with the College Investment Policy. Mr. Page reported that GASB 75 relating to postemployment benefits will be implemented for fiscal 2018. The full amount of the liability will be computed by the College's actuaries. The reasonableness of the assumptions used will be reviewed by Grant Thornton's actuaries. It is expected to be in excess of \$172 million. It will be recorded in the opening balances and prior year financial statements will not have to be restated. Mr. Page continued to highlight the remaining GASB standards Attachment B. There were no further questions for Mr. Page.

(3) 2018-2019 Budget Highlights (Information Item)

Mr. Eapen distributed copies of the 2018-2019 Fiscal Year Budget and Highlights (Attachment C) previously provided to the Board of Trustees.

(4) Internal Audit Update (Information Item):

Mr. Lucas provided an update on the 2016-2018 Internal Audit Plan. He provided a copy of a summary report of activities since the last Audit Committee meeting as well as a copy of the Internal Audit Plan for the two-year period ending June 2018 to the Committee members (Attachment D). Mr. Lucas stated that, since the last meeting, he had finalized two audit reports, issued one audit report, which is in the closing process and has two other audits for which he expects the audit reports to be issued shortly.

Mr. Lucas also presented the Committee members with the Internal Audit Follow Up Matrix. This spreadsheet lists previously issued audit comments, the related action plans to be performed by management and a target date for the actions. Mr. Lucas stated that 11 action plans were added to the matrix related to the recently finalized audit reports, five of which were already marked complete based on the prompt actions of management to address the recommendations.

Mr. Lucas also informed the Committee that he had solicited input from the Cabinet members for the 2018-2020 Internal Audit Plan. He noted that a proposed plan has been prepared for review by senior management and that he plans to present the proposed plan at a Cabinet meeting in July. Mr. Lucas stated that he would inform the Audit Committee members when the Audit Plan is approved and that he will send the final plan to them soon after approval.

(5) Next Meeting:

The next meeting of the Audit Committee will be held in September 2018.

EXECUTIVE SESSION

GSM/lmh
Attachments

cc: Dr. Donald Generals
Mr. Jacob Eapen
Mr. Robert Lucas
Mr. Jim Spiewak
Victoria Zellers, Esq.
Representing Grant Thornton: Mr. Brian Page
Representing the Meridian Group: Mr. Anthony B. Scott

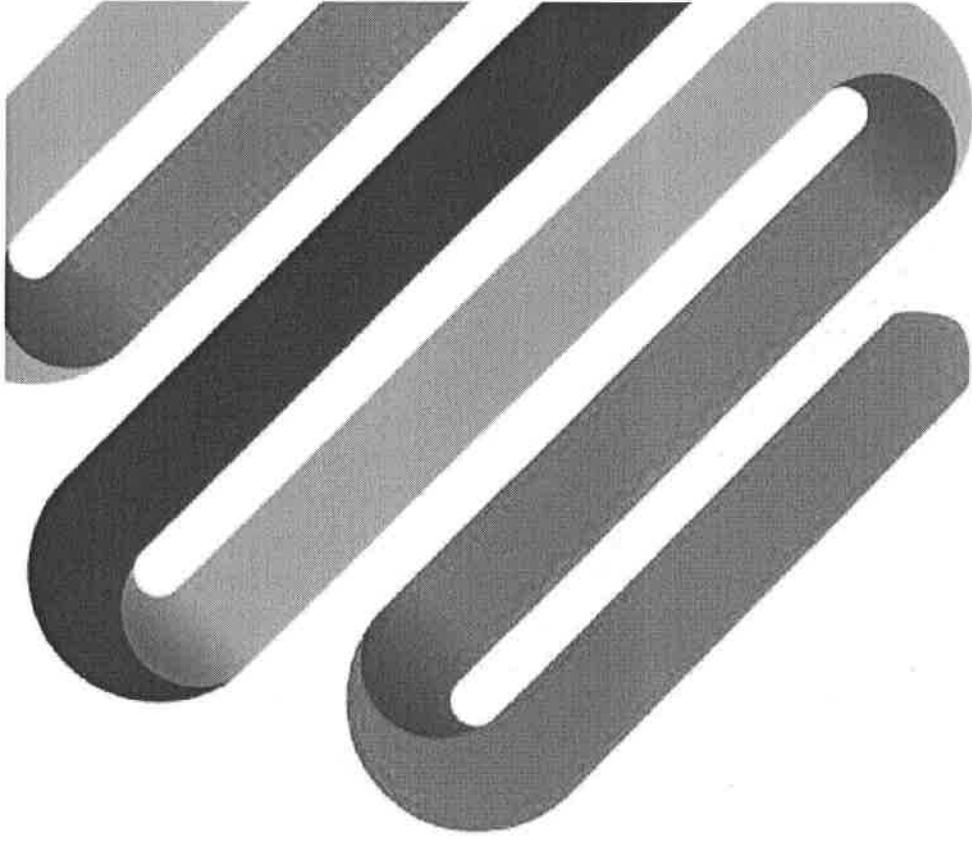
ATTACHMENT B

Grant Thornton's Presentation



2018 Audit Wrap-Up Presentation and Discussion

**Community College of
Philadelphia**



Our Responsibilities

We are responsible for:

- Performing an audit under US GAAS and *Government Auditing Standards* of the financial statements prepared by management, with your oversight
- Forming and expressing an opinion about whether the financial statements are presented fairly, in all material respects in accordance with US GAAP
- Forming and expressing an opinion about whether certain supplementary information, including the Schedule of Expenditures of Federal Awards (SEFA) is fairly stated in relation to the financial statements as a whole.
- Communicating fraud and abuse with regard to federal programs
- Reporting material noncompliance with federal awards requirements applicable to major program(s) audited under the Uniform Guidance requirements as well as significant deficiencies and/or material weaknesses in internal control over compliance
- Communicating specific matters to you on a timely basis; we do not design our audit for this purpose.

An audit provides reasonable, not absolute, assurance that the financial statements do not contain material misstatements due to fraud or error. It does not relieve you or management of your responsibilities. Our respective responsibilities are described further in our engagement letter.



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Those Charged With Governance and Management Responsibilities

Those Charged with Governance are responsible for:

- Overseeing the financial reporting process
- Setting a positive tone at the top and challenging the College's activities in the financial arena
- Discussing significant accounting and internal control matters with management
- Informing us about fraud or suspected fraud, including its views about fraud risks
- Informing us about other matters that are relevant to our audit, such as:
 - Entity strategies and related business risks that may result in heightened risks of material misstatement
 - Matters warranting particular audit attention
 - Significant communications with regulators
 - Matters related to the effectiveness of internal control and your oversight responsibilities
 - Your views regarding our current communications and your actions regarding previous communications

Management is responsible for:

- Preparing and fairly presenting the financial statements including supplementary information such as SEFA (Schedule of Expenditures of Federal Awards) in accordance with US GAAP
- Designing, implementing, evaluating, and maintaining effective internal control over financial reporting and compliance with federal and state grant requirements
- Communicating significant accounting and internal control matters to those charged with governance
- Providing us with unrestricted access to all persons and all information relevant to our audit
- Informing us about fraud, illegal acts, significant deficiencies, and material weaknesses
- Adjusting the financial statements, including disclosures, to correct material misstatements
- Informing us of subsequent events
- Providing us with written representations



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Audit Timeline & Scope

May 2018	Client reacceptance	<ul style="list-style-type: none"> • Client reacceptance • Issue engagement letter • Conduct internal client service planning meeting, including coordination with audit support teams such as IT and tax
June 2018	Planning	<ul style="list-style-type: none"> • Meet with management to confirm expectations and discuss business risks • Discuss scope of work and timetable • Identify current-year audit issues and discuss recently issued accounting pronouncements of relevance • Initial Audit Committee communications
July 2018	Preliminary risk assessment procedures	<ul style="list-style-type: none"> • Develop audit plan that addresses risk areas • Update understanding of internal control environment • Coordinate planning with management and develop work calendar
August 2018	Interim fieldwork	<ul style="list-style-type: none"> • Perform walk-throughs of business processes and controls • Perform selective substantive testing on interim balances • Begin Single Audit compliance testing
August-September 2018	Final fieldwork and deliverables (short form)	<ul style="list-style-type: none"> • Perform final phase of audit and year-end fieldwork procedures • Meet with management to discuss results • Present results to the Audit Committee
December 2018 – March 2019	Final fieldwork and deliverables (Single Audit)	<ul style="list-style-type: none"> • Perform final phase of Single Audit compliance testing • Meet with management to discuss results



Materiality

Materiality is the magnitude of an omission or misstatement that likely influences a reasonable person's judgment. It is ordinarily evaluated against relevant financial statement benchmark(s).

- We believe that total revenues is the appropriate benchmark for the College.
- We believe total expenditures for each major program are the appropriate benchmarks for the Single Audit.

Financial statement items greater than materiality are within our audit scope. Other accounts or classes of transactions less than materiality may be in our scope if qualitative risk factors are present (for example, related party relationships or significant unusual transactions).



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Views of those charged with governance

Discussion points

- Risks of fraud
- Awareness of fraud
- Awareness of related party transactions; understanding of purpose of related party transactions
- Awareness of whistleblower tips or complaints
- Oversight of management's risk assessment process
- Views about the College's objectives and strategies and related risks of material misstatement
- Awareness of any internal control matters and views about management's response
- Oversight of financial reporting process
- Actions taken in response to developments in law, accounting standards and corporate governance matters
- Actions in response to our previous communications, if any



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Significant risk

The following provides an overview of the areas of significant audit focus based on our risk assessments.

Significant risk	Results
<p>Tuition revenue, auxiliary enterprises and related receivables/deferred revenue</p>	<ul style="list-style-type: none"> • Perform reasonableness test on tuition, student aid and auxiliary revenue amounts. • Perform deferred revenue testing to determine proper cut-off. • Inquire of management about the allowance methodology and, policies governing additional charges or other steps taken (e.g., cannot register, cannot attend commencement) for lack of payment of student account. • Review management's analysis of allowances for doubtful accounts for consistency with methodology and accuracy of inputs.
<p>State and Federal Grants & Contracts</p>	<ul style="list-style-type: none"> • Review contract documents to obtain understanding of the terms. • Compare revenues and recorded expenses to determine that amounts are being recorded appropriately based upon the terms of the contracts. • Review any deferred amounts for reasonableness. • Agree any subsequent collections to year-end receivable balances. • Review propriety of financial statement presentation and disclosure.



Other Areas of Focus - continued

The following provides an overview of the areas of other audit focus based on our risk assessments.

Area of focus	Results
State & city appropriations	<ul style="list-style-type: none"> Obtain detail of appropriations received from the state for fiscal year. Confirm amounts with state, agreeing to revenue recorded in general ledger. Review receivable, determining calculation is correct based on cash received and amounts outstanding based on confirmation.
GASB 75 (significant risk)	<ul style="list-style-type: none"> Review the analysis of accrued postretirement benefit obligations. Assess the reasonableness of actuarial assumptions: discount factor, trend rates and cash flows, amongst others. Test participant census data.



Other Areas of Focus- continued

The following provides an overview of the areas of other audit focus based on our risk assessments.

Area of focus	Results
Valuation of Investments and related earnings	<ul style="list-style-type: none">• Review of compliance with the College's investment guidelines, policies, procedures and controls.• Test valuation of publicly traded investments using an independent pricing source.• Tested valuation of investments that are not publicly traded by performing an independent assessment of the valuation methodology and testing roll forward period of alternative investments and obtaining underlying audited financial statements of the respective funds.• Test reasonableness of investment-related income, including unrealized appreciation/(depreciation) in fair market values.• Review investments for impairment.• Obtain SSAE 16 reports from investment custodians.



Other Areas of Focus – continued

The following provides an overview of the areas of other audit focus based on our risk assessments.

Area of focus	Procedures
Compliance with Uniform Guidance	<p>Perform compliance and controls procedures in accordance with the Uniform Guidance Requirements, including:</p> <ul style="list-style-type: none">• Planning, identification of major federal programs and risk assessment.• Reviewing the respective federal compliance supplements and, as applicable, the specific grant/award agreements and documenting the applicable compliance requirements.• Documenting/updating internal controls over compliance for each of the respective major federal program(s) or cluster(s).• Testing compliance and internal controls over compliance for each direct and material compliance requirement over each major federal program.<ul style="list-style-type: none">• There are 12 compliance requirements for each major program. Of these, typically 6-8 have been direct and material to each major program or cluster.• Consistent with prior years, we anticipate that we will audit compliance associated with the federal Student Financial Assistance (SFA) Cluster.• Required to test a minimum of 40 items for larger populations (250 transactions or more) or at least 10% of smaller populations for each direct and material compliance requirement. That is, 40 items for compliance and 40 items for controls. Dual purpose testing will be employed whenever possible.• Testing the reconciliation of the schedule of expenditures of federal awards to the respective amounts included within the basic consolidated financial statements.



Other Areas of Focus – continued

The following provides an overview of the areas of other audit focus based on our risk assessments.

Area of focus	Procedures
Compliance with Uniform Guidance (continued)	<ul style="list-style-type: none">• Communicating compliance/control findings, if any, to management.• Addressing resolution of communicated compliance/control findings and understanding management's response to be included in the corrective action plan.• Assessing completeness of disclosures related to the federal schedule of expenditures.• Rendering respective independent auditor opinions.• Preparing the appropriate sections of the federal Data Collection Form submitted to the Federal Audit Clearinghouse.



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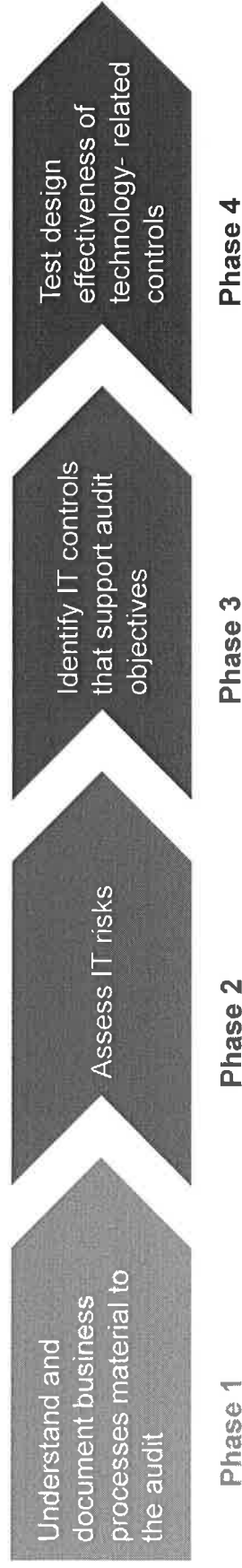
Other Areas of Focus – continued

The following provides an overview of the areas of other audit focus based on our risk assessments.

Area of focus	Results
Accounting estimates	<p>The preparation of the College's financial statements requires management to make multiple estimates and assumptions that affect the reported amounts of assets and liabilities as well as the amounts presented in certain required disclosures in the notes to those financial statements. The most significant estimates relate to the allowance for doubtful accounts, useful lives of fixed assets, valuation of Level 2 investments which are based on NAV per share, actuarial estimates for the College's post-retirement benefit plan (OPEB) under GASB 75, and actuarial estimates for the College's self-insurance medical claims liability (IBNR). Our procedures were designed in part, to review these estimates and evaluate their reasonableness.</p>
Financial statement disclosures	<p>Our procedures also included an assessment as to the adequacy of the College's financial statement disclosures to ensure they are complete, accurate and appropriately describe the significant accounting policies employed in the preparation of the financial statements and provide a detail of all significant commitments, estimates and concentrations of risk, amongst other relevant disclosures required by US GAAP.</p>



Technology support as part of the audit process



An important component of our audit approach is to understand how IT is used in supporting business operations and producing financial reports. Our technology specialists place particular emphasis on the risks relating to the use of technology and its associated controls, processes and practices. Our general controls review evaluates the design of controls that mitigate risk in areas such as organization and operations, protection of physical assets, application systems development and maintenance, access controls and computer operations.

In-Scope Application: Banner

- Banner Financial Aid Module Review
- Administrator Access & Password Testing



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Use of the Work of Others

Specialists

GT Pricing group – Valuation of investment portfolio

GT Actuarial group – Review of assumptions & methodology underlying the calculation of the IBNR claims liability for self-insured medical and pharmacy plans as provided to CCP by third party actuary at Alliant Insurance Services and review of assumptions for GASB 75 valuation provided by third party actuary at Clarity in Numbers

GT Tax group - Review of UBIT and tax positions



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Summary of Misstatements (\$000s)

Description	Increase (Decrease) to:		
	Assets	Liabilities	Equity

Material, corrected misstatements

None noted

Net impact

\$	-	\$	-	\$	-
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Uncorrected misstatements

None noted

Net impact

\$	-	\$	-	\$	-
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Other Required Communications

Professional standards require that we communicate the following matters to you, as applicable.

Going concern matters – None noted
Fraud and noncompliance with laws and regulations – None noted
Significant deficiencies and material weaknesses in internal control over financial reporting – None noted
Use of other auditors – None noted
Related parties and related party transactions – None noted other than those appropriately disclosed within the financial statements



Other Required Communications

(continued)

Disagreements with management – None noted
Management's consultations with other accountants – None noted
Significant issues discussed with management – Implementation of GASB 75
Significant difficulties encountered during the audit – None noted
Other significant findings or issues that are relevant to you and your oversight responsibilities – None noted
Modifications to the auditor's report – Single year presentation given the current year implementation of GASB 75 which impacted opening net position and therefore not comparative with prior year presentation
Other information in documents containing audited financial statements – None noted



Quality of Accounting Practices

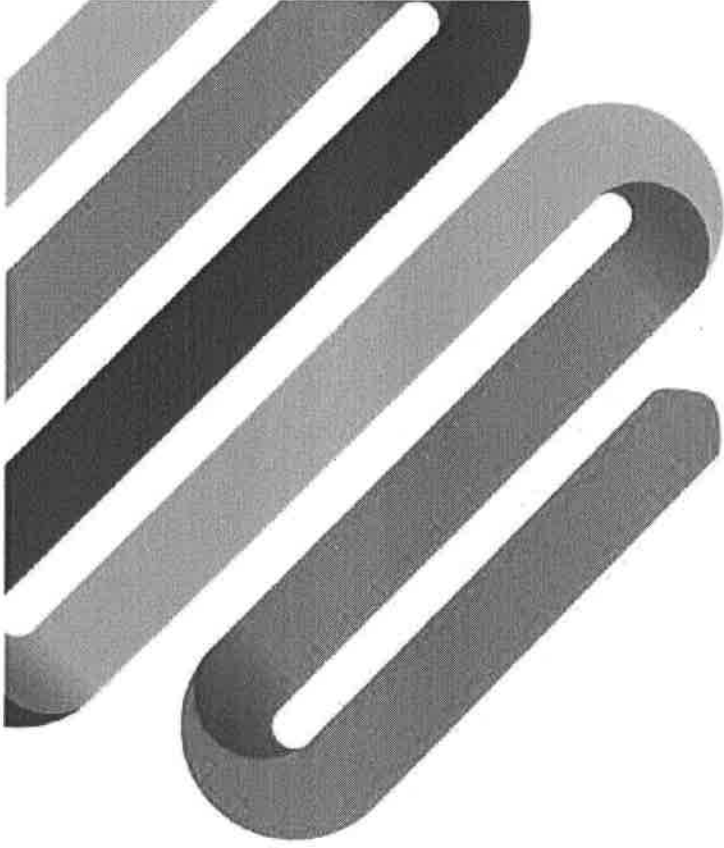
Accounting policies	Accounting policies are consistent with those of prior year and are outlined in Note A of the financial statements.
Accounting estimates	<p>Significant estimates are described in Note A of the financial statements. These estimates include:</p> <ul style="list-style-type: none"> • Allowance for doubtful accounts • Useful lives of fixed assets • Valuation of alternative investments which are based on NAV per share • Actuarial estimates for the College's post-retirement benefit plan (OPEB) under GASB 75 • Actuarial estimates for the College's self-insured medical claims liability (IBNR)



Quality of Accounting Practices

Disclosures	Financial statements and the disclosures therein are clear and complete in accordance with GASB pronouncements.
Other related matters	The effects of the refunding of the 2017 Series Bonds and issuance of the 2018 Series Bonds are appropriately disclosed in the financial statements as is the implementation of GASB 75 (including required supplementary information).





Audit Planning Presentation

Technical Updates – GASB

Selected pronouncements effective for the year ending June 30, 2019 or subsequent periods - GASB

Title	Effective date
GASB 83- Certain Asset Retirement Obligations	Periods beginning after June 15, 2018
GASB 84- Fiduciary Activities	Periods beginning after December 15, 2018
GASB 87- Leases	Periods beginning after December 15, 2019
GASB 88- Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements	Periods beginning after June 15, 2018
GASB 89- Accounting for Interest Cost Incurred before the end of a Construction Period	Periods beginning after December 15, 2019



GASB Statement 83, Certain Asset Retirement Obligations

Summary	Potential impact
<ul style="list-style-type: none"> • Objective is to develop requirements on recognition and measurement for asset retirement obligations (ARO), other than landfills (GASB 18) or pollution remediation obligations (GASB 49), such as nuclear power plants and sewage treatment facilities • The pronouncement addresses the following: <ul style="list-style-type: none"> - Establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources when a governmental entity has a legal obligation to perform future asset retirement activities related to its tangible capital assets - Proposes capitalization of the ARO as a deferred outflow of resources, to be amortized in a systematic and rational manner (such as the straight-line method), generally over the life of the related asset giving rise to the obligation - Requires disclosures regarding governmental entity legal requirements to provide funding or other financial assurance for their performance of asset retirement obligations (e.g., how are those requirements being met) as well as nature and timing of AROs, method used to determine the estimated liability and useful life of the associated tangible asset. • Effective for periods beginning after June 15, 2018. Earlier application is encouraged. 	<p>Similar to the efforts Universities underwent when adopting GASB 49, management should inventory any activity whereby there is a related obligation to dispose of certain assets subject to regulatory and legal requirements. With that list, management must calculate the expense of that effort and track it annually. The effort to inventory these assets/costs may require input from facilities and potentially other areas of the University and the process to estimate costs of future events may also require assistance from facilities and other departments.</p>



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GASB Statement 84, Fiduciary Activities

Summary	Potential impact
<ul style="list-style-type: none"> • Guidance addresses the following: <ul style="list-style-type: none"> - The categorization of fiduciary activities for financial reporting - How fiduciary activities are to be reported - When liabilities to beneficiaries must be disclosed • Types of fiduciary funds that must be reported include the following: <ul style="list-style-type: none"> - Pension (and other employee benefit) trust funds - Investment trust funds - Private-purpose trust funds - Custodial funds • A government controls the assets of an activity if it holds the assets or "has the ability to direct the use, exchange or employment of the assets in a manner that provides benefits to the specified or intended recipients" • Fiduciary activities must be disclosed in the basic financial statements of the government entity and a statement of fiduciary net position and changes in fiduciary net position should be presented (unless the period of custody is less than three months). • Effective for periods beginning after December 15, 2018, with early adoption encouraged. 	<p>Universities often will agree to act as a fiduciary for certain third party organizations that might be somehow affiliated to the university (such as student clubs, alumni clubs, or other such organizations). Under this new requirement, the University must report the fiduciary activity on its financial statements, where it may not have done so in the past. Management should identify which fiduciary activities it is engaged in to inventory the relationships which may need to be reported. Management may want to consider changing the terms of the relationships such that they are not subject to reporting on the financial statements of the University when the requirement becomes effective.</p>



GASB Statement 87, Leases

Summary

- The GASB recently issued guidance which resembles the recently issued FASB guidance on leases.
- To determine whether a lease exists, a government should assess whether it has both:
 - 1) The right to obtain the present service capacity from use of the underlying asset as specified in the contract, and
 - 2) The right to determine the nature and manner of use of the underlying asset as specified in the contract
- For Lessees:
 - In general, all leases will be reported on the statement of net position (the distinction between operating and capital leases is no longer relevant) as a "right of use" intangible asset and a corresponding lease liability within long term debt
 - On the statement of changes, rent expense will be replaced by amortization expense of the right-of-use asset as well as interest expense on the lease liability (thus accelerating expenses in the beginning years of the lease term)
 - There is an exemption for short term leases (those with a term of 12 months or less, including extension options) as well as leases that transfer ownership at the end of the term
 - Disclosures regarding matters such as total leased assets by major class of underlying assets and related accumulated amortization (in total), principal and interest payments for each of the five subsequent fiscal years and in five year increments thereafter and commitments under leases before a lease commencement period, among other items



Grant Thornton

GASB Statement 87, Leases (continued)

Summary, continued

- For Lessors:
 - Record a lease receivable and a deferred inflow of resources equal to the present value of future lease payments (which should generally equal the amount recorded as a liability by the lessee), and also continue to report the leased asset
 - The receivable will be reduce as cash is received, the asset will be depreciated (generally) and the deferred inflow will be recognized over the lease term
 - Disclosures regarding matters such as general description of leasing arrangements, total amount of inflows of resources, and those related to variable payments, residual guarantees, etc., and the existence, terms and conditions of options by the lessee to terminate the lease or abate payments in certain circumstances, among other disclosures
- Effective for periods beginning after December 15, 2019, with early adoption encouraged. Existing leases will be adjusted based on the remaining lease payments as of the beginning of the period of adoption or beginning of any earlier periods restated (for example, for June 30 year ends, adoption is June 30, 2021 so the beginning period is July 1, 2020).

Potential Impact

For those universities which use operating leases to finance certain capital activities, this standard could have a significant impact on the financial statements of the University upon adoption. Management should consider the impact on financial covenants, as well as ensuring a complete inventory of existing leases that will be subject to the new accounting and disclosures.



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GASB Statement 88, Certain Disclosures Related to Debt

Summary	Potential Impact
<ul style="list-style-type: none"> • Improves consistency of information presented in the footnotes with respect to long-term debt, and to distinguish it from other long-term liabilities in applying disclosure requirements. • New guidance defines debt as "a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of payment of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established". • In addition to the existing debt disclosures, universities should disclose the following about all types of debt: <ul style="list-style-type: none"> • Amount of unused lines of credit • Assets pledged as collateral for debt • Terms specified in debt agreements related to significant events of default or termination events with finance-related consequences, as well as any subjective acceleration clauses • Direct borrowings and direct placements of debt should be distinguishable from other types of debt for all disclosures. • Effective for periods beginning after June 15, 2018. Changes to adopt this standard should be applied to all periods presented within the footnotes. 	<p>Depending on the amount of information currently disclosed as it relates to debt, higher education institutions may find themselves having to augment existing footnotes to comply with the standard, specifically as it relates to direct borrowings, lines of credit, and other debt instruments.</p>



GASB Statement 89, Accounting for Interest Cost Incurred before the end of a Construction Period

Summary	Potential impact
<ul style="list-style-type: none">• This Statement improves financial reporting by providing users with more relevant information about capital assets and the cost of borrowing, and enhancing comparability of information for both governmental activities and business-type activities.• Financial statements prepared using the economic resources measurement focus:<ul style="list-style-type: none">• Interest cost should be recognized as an expense in the period incurred.• Financial statements prepared using the current financial resources measurement focus:<ul style="list-style-type: none">• Interest cost should be recognized as an expenditure consistent with governmental fund accounting principles.• Effective for periods beginning after December 15, 2019, with early adoption encouraged. Changes to adopt this standard should be applied prospectively at adoption.	<p>Universities may have varying amounts of interest incurred during periods of significant construction. With the implementation of this new guidance, complex calculations of interest to be capitalized will no longer be required, thus simplifying accounting requirements. The new accounting accelerates the expense impact for the construction period, which should be considered when preparing budgets for future periods.</p>



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GASB projects

Project	Timing
Financial Reporting Model- Reexamination of Statements 34, 35, 37, 41 and 46, and Interpretation 6	Preliminary Views to be issued in September 2018, planned issuance of final standard in 2022.
Revenue and expense recognition	Preliminary Views expected in May 2020 (currently in redeliberations)
Recognition (conceptual framework)	Preliminary Views to be issued in September 2018
Conduit Debt- Reexamination of Interpretation 2	Exposure draft issued in July 2018
Equity Interest Ownership Issues	Final statement expected August 2018
Information Technology Arrangements, including cloud computing	Deliberations scheduled to begin September 2018, Exposure Draft expected April 2019
Public-private partnerships, including reexamination of Statement 60	Deliberations began in May 2018, Exposure Draft expected June 2019
Implementation Guide- GASB 84 (Fiduciary Activities)	Material for Guide in development, ED in December 2018
Implementation Guide- GASB 87 (Leases)	Material for Guide in development, ED in January 2019



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GASB major project – Financial Reporting Model

Summary

- GASB is revisiting its reporting model established in GASB 34 and 35, as well as other GASB standards, following the FASB project to revisit the reporting model of NFP entities.
- Although there is general consensus that most of the components of the financial reporting model are effective, the Board determined that there is a need to update guidance related to several categories, focusing on the following:
 - MD&A
 - Government-wide financial statements
 - Major funds
 - Governmental fund financial statements
 - Proprietary fund and business-type activity financial statements
 - Fiduciary fund financial statements
 - Budgetary comparisons
- Tentative Preliminary Views of note for colleges and universities (Preliminary Views to be issued in September 2018):
 - Definition of non-operating activities includes i) subsidies received and provided, ii) revenues and expenses of financing, iii) resources from the disposal of capital assets and inventory and iv) investment income and expenses
 - A subtotal for "operating income/(loss) and noncapital subsidies"
 - Government-wide schedule of natural classification of expenses would be presented as supplementary information (BTA activities by segment)



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GASB major project – Financial Reporting Model, continued

Potential impact

Similar to the significant impact on reporting and disclosures when GASB 34 and 35 were issued, this proposed guidance could have sweeping effects on the reporting and disclosures by public colleges and universities. Depending on how much the GASB looks to what was done by the FASB on the NFP reporting model, there could be an increase in comparability between the two types of entities that currently use very different reporting models.

Three of the business-type activities issues that the GASB is considering that are particularly relevant to public universities are guidance on the operating indicator, MD&A and extraordinary and special items. Based on comments made by GASB representatives, one of the tentative preliminary views is to present a subtotal for "operating income/loss and non-capital subsidies", which includes state appropriations. This is an accommodation to the request by many constituents to include state appropriations as an operating revenue, which will not be changed based on tentative preliminary views. In addition, the addition of a separate schedule of expenses by natural classification will highlight certain expenses that may receive additional scrutiny such as salary/compensation expense. Depending on the ultimate guidance, universities may want to think about how the reporting of these expenses will be captured to be accurately reported in the financial statements.



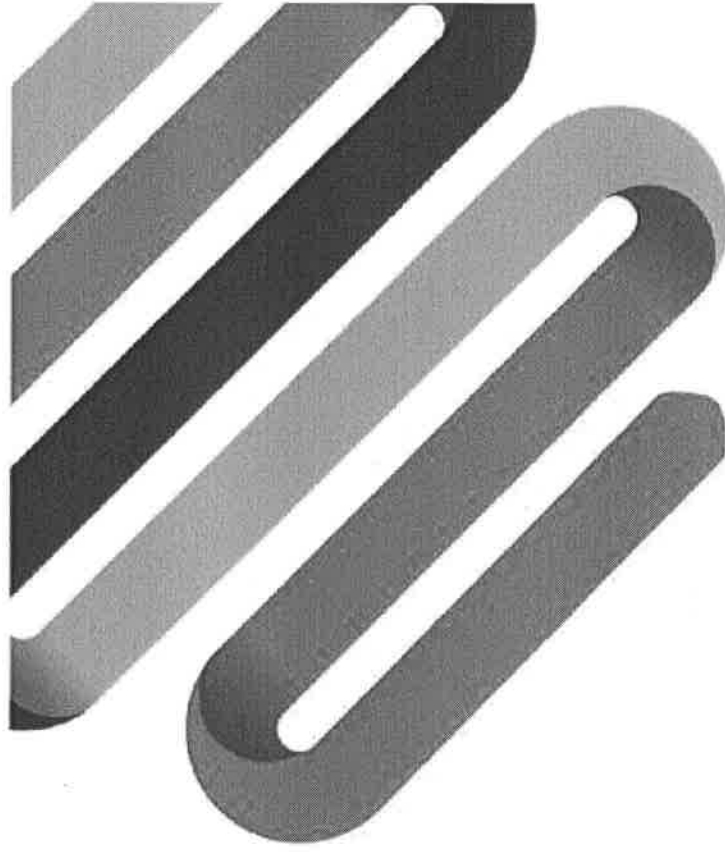
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GASB major project – Revenue and Expense Recognition

Summary	Potential impact
<ul style="list-style-type: none">• Three primary areas of focus of the project are as follows:<ol style="list-style-type: none">1. Common exchange transactions not specifically addressed in existing GASB guidance<ul style="list-style-type: none">➢ Project plans to develop guidance or improve existing guidance regarding<ol style="list-style-type: none">i. Exchange and exchange-like transactions having single elementsii. Exchange and exchange-like transactions having multiple elementsiii. The differentiation between exchange-like and non-exchange transactions2. Post-implementation review of GASB 33 and 36<ul style="list-style-type: none">➢ Areas to be considered include:<ol style="list-style-type: none">i. Distinguishing between eligibility requirements and purpose restrictionsii. Determining when a transaction is an exchange or a nonexchange transactioniii. Using the availability period concept consistently across governmentsiv. Applying time and contingency requirements3. Development of GASB conceptual framework<ul style="list-style-type: none">➢ GASB 33 and 36 were developed prior to key parts of the conceptual framework, such as defining deferred inflows and outflows➢ An evaluation of the recognition of nonexchange transactions against the conceptual framework is necessary• Invitation to Comment recently ended, currently in redeliberations, with Preliminary Views expected in May 2020.	<p>As it relates to recognition of exchange and nonexchange transactions such as grants vs gifts vs contracts, there continues to be an element of judgment and interpretation of existing GASB and FASB guidance. This project could impact the current practices of higher education institutions as it relates to revenue recognition.</p>



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Audit Planning Presentation

Industry Updates

Key Themes in 2018

Good news:

- Colleges and universities are holding steady, with flat or modest revenue increases accompanied by warning signs
- More and more experiments with "business model" are occurring

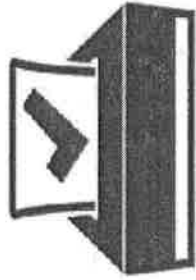
Not so good news:

- Revenue is highly constrained with limited prospects of improvement
- Price sensitivity (restraint on net price increases) continues
- Demographics worrisome in East and Midwest
- Washington policies may harm but won't help



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Washington Update: New Tax Law



Plus many, many little surprises like employee moving expenses now being taxable

- 1** **Endowment spending lowered:** 1.4% excise tax on net investment income. Applies if over 500 students and \$500M in assets per FT student. Excludes assets "directly used to carry on educational purposes."
- 2** **Excise tax on executive comp:** 21% excise tax on comp of "covered employee" in excess of \$1M ("covered" if one of five higher compensated for organization)
- 3** **Likely increase in unrelated business income tax.** No "bucketing" or "netting." Loss of one activity can't be used to offset gain of another.
- 4** **Fund raising more challenging.** Increase in standard deduction eliminates tax incentive for those who don't itemize. Doubling of estate tax exemption may reduce charitable giving to reduce or eliminate estate tax.
- 5** **Weakened state support for public higher education:** The cap on the state and local tax deduction puts additional pressure on state budgets



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Washington Update: Immigration & Isolation



1

Immigration, including DACA: Negative impact on trend toward globalization: insecurity of existing students & faculty, less international students (see below) & faculty; stifled programs abroad

2

International Student Enrollments Down: Applications & enrollments dropped this fall, especially at the graduate level and in non-elite institutions

1

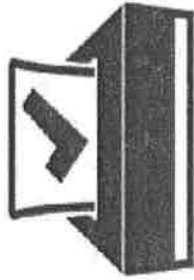
"Free tuition: Being proposed by governors and adopted in in some states. Generally good for public institutions. Potential negative impact on private colleges in those states.

States:



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Washington Update: Higher Education Act*



1

Federal aid (grants): Continues Pell Grants but limits or eliminates other aid programs.

2

Federal aid (loans): Ends the Public Service Loan Forgiveness Program. Caps the amount graduate students may borrow at \$150K. Ends Federal Direct Loan Program for new borrowers starting July 1, 2019.

3

Free Application for Federal Student Aid (FAFSA): Asks Secretary to simplify the FAFSA and create mobile-optimized tool.

4

Accreditation. Accreditors required to identify annually institutions that are at risk of failing to meet their standards and key metrics. At least one public member on accrediting commission would be required to represent the business community

5

Protects for-profit education. Repeals "gainful employment" regulation, weakens "borrower defense" regulation, tells DOE to use "single definition of institution"



*House version



MOODY'S

"Negative"
after two years
of "stable"

Revenue:

- Growth in revenue will not keep pace with growth in expenses
- Increases of tuition revenue, research funding and state contributions will "remain subdued"
- "A market that is increasingly sensitive to higher education's price v. perceived value"

Expenses:

- Labor costs
- "Need to sustain investments" in programs, facilities, and technology



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Private Sector

- More than half of private institutions will achieve growth of at least 3%
- Net tuition growth in the 3-3.5% range for private universities and "lower net tuition growth" than universities for small & medium sized institutions
- Growth in "first year discounting" is a worry

Public Sector

- Less than 20% of public, four-year institutions will see their revenue increase by more than 3%
- Net tuition growth in 2-3% range "as they face increasing political constraints, including state limits on raising tuition"
- Tuition freezing and lowering is gaining traction
- More states likely to mandate mergers & reorganizations

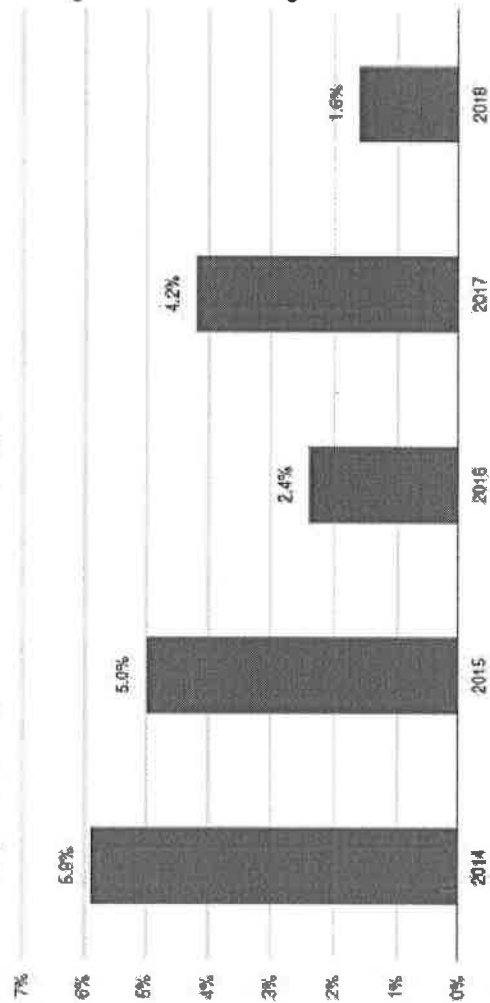
All sectors: decline of high school graduates in Northeast & Midwest (over 5% through 2025)



"Slow growth in state support strains public universities' budgets"*



Exhibit 1
Increase in state appropriations for US higher education is the smallest in five years



- Smaller state funding increase is "credit negative" for public universities
- "Effects of the limited funding increase will be greatest for small public universities, for which almost 30% of operations are paid for with state appropriations."
- Public universities, especially regional universities, have "consumed much of their pricing power" so tuition increases can't offset state support

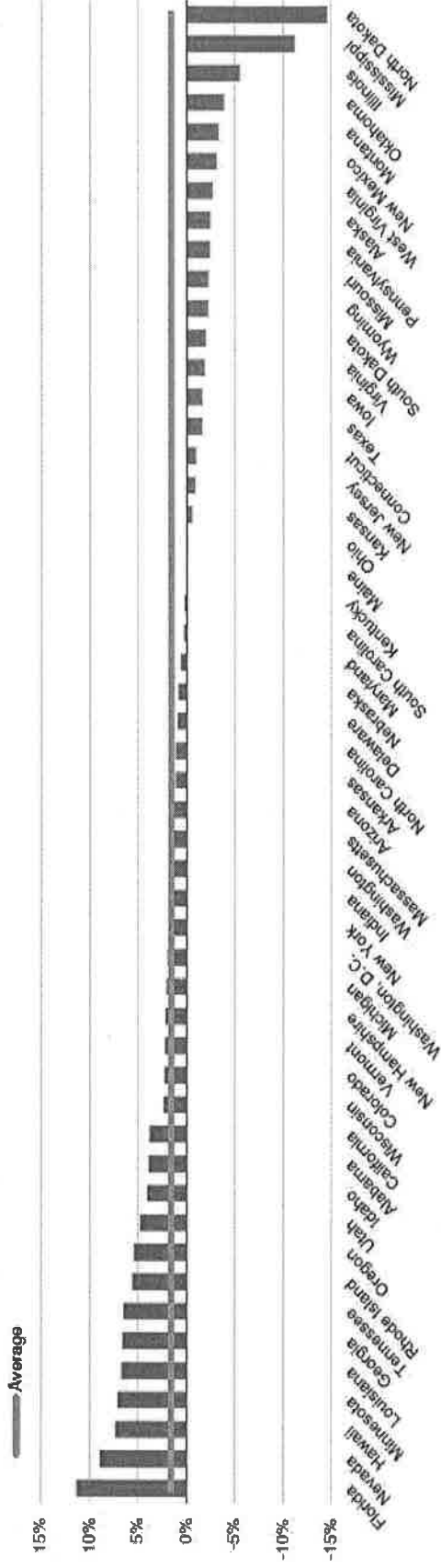
*Title of Moody's report issued 1-29-2018



Changes in support vary significantly by state



Exhibit Z
Wide disparity in 2018 state appropriations for higher education
One-year change in state support for higher education



Source: Grapevine Compilation of State Fiscal Support for Higher Education

Moody's report issued 1-29-2018





"Negative"
after two years
of "stable"

Federal policies:

- Tax law could hurt fund raising
- Immigration policies and tone is hurting international enrollment
- Uncertainty around potential future changes in tax policies and in Federal student aid policies





"Negative"
after two years
of "stable"

Opportunities:

- International recruitment
- Expansion of online and certificate programs
- Attracting transfer students and improving retention



Standard & Poor's 2018 Sector Outlook

S&P Global
Ratings

Opportunities

- Increase and emergence of innovative strategies and partnerships
- Change in institutions' view of ideal target student profile

Risks

- Multiple implications from the recently enacted Tax Cut and Jobs Act
- Decrease in capital markets activity due to rising interest rates and curtailment of advance refundings
- Widening gap between students' expectations and their willingness to pay

Citing changes in Federal policy, S&P also switches to "a negative outlook"



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Standard & Poor's 2018 Sector Outlook

S&P Global
Ratings



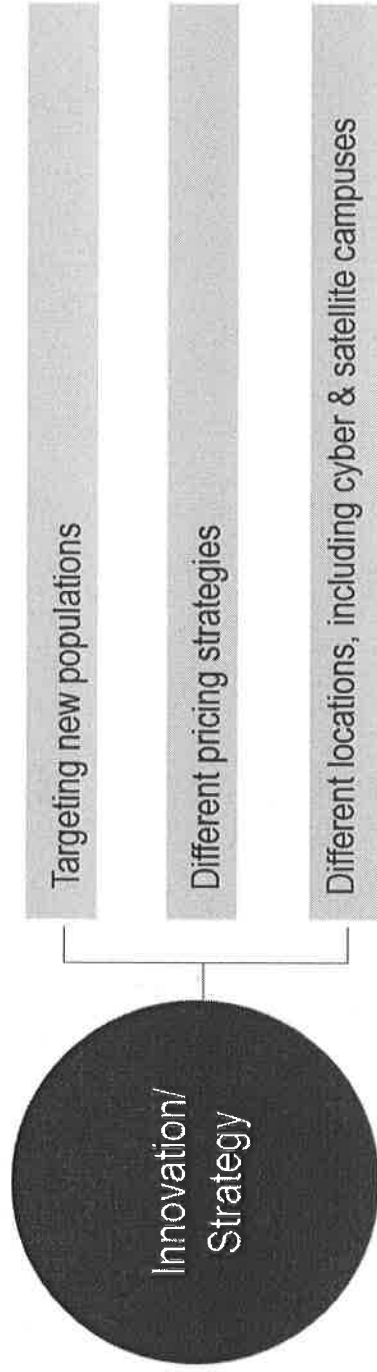
"Students and parents seek stagnation in or decrease in the cost of attendance while demanding even bigger increases and improvements to facilities, amenities, and services."

"Colleges and universities seem more open than ever before to adopting nontraditional or new strategies and partnerships..... We expect institutions will continue to explore creative ways of doing business to combat the challenges of the current operating model."

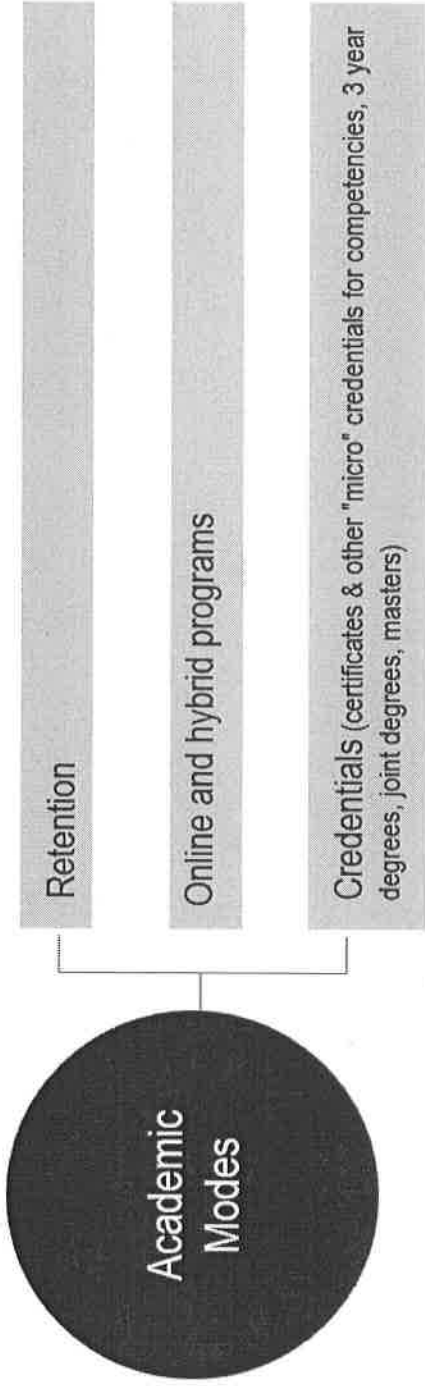


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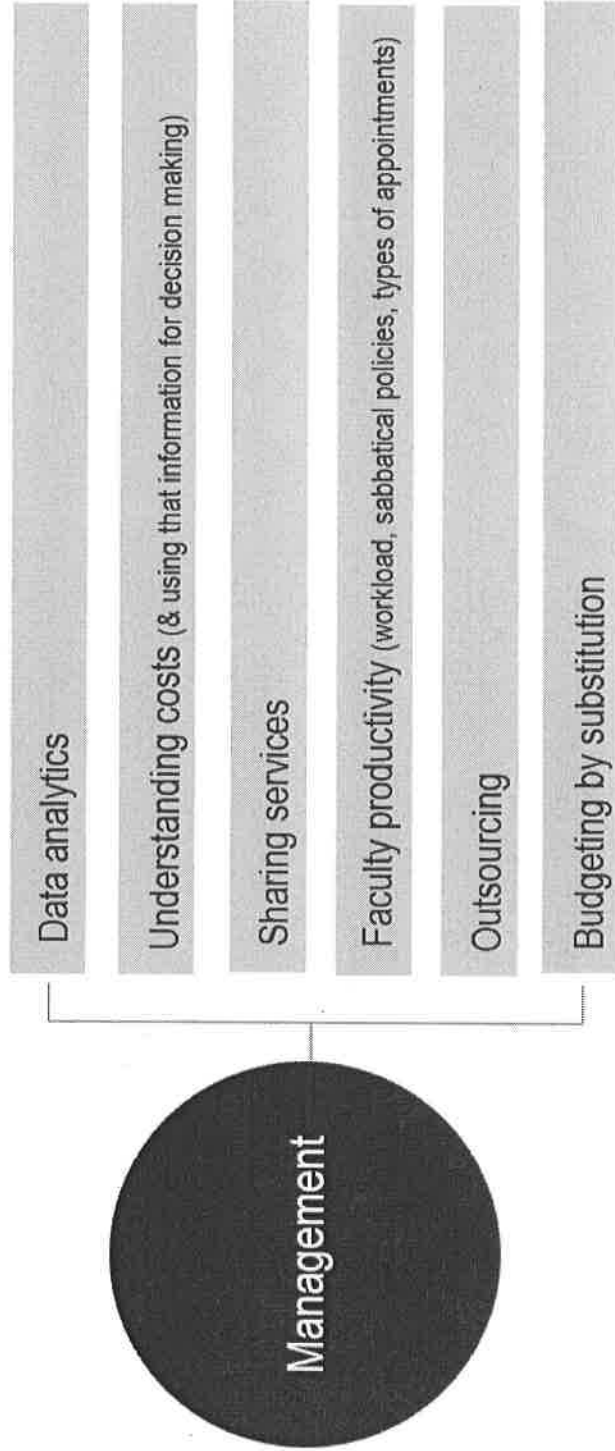
What are colleges doing to generate financial return?



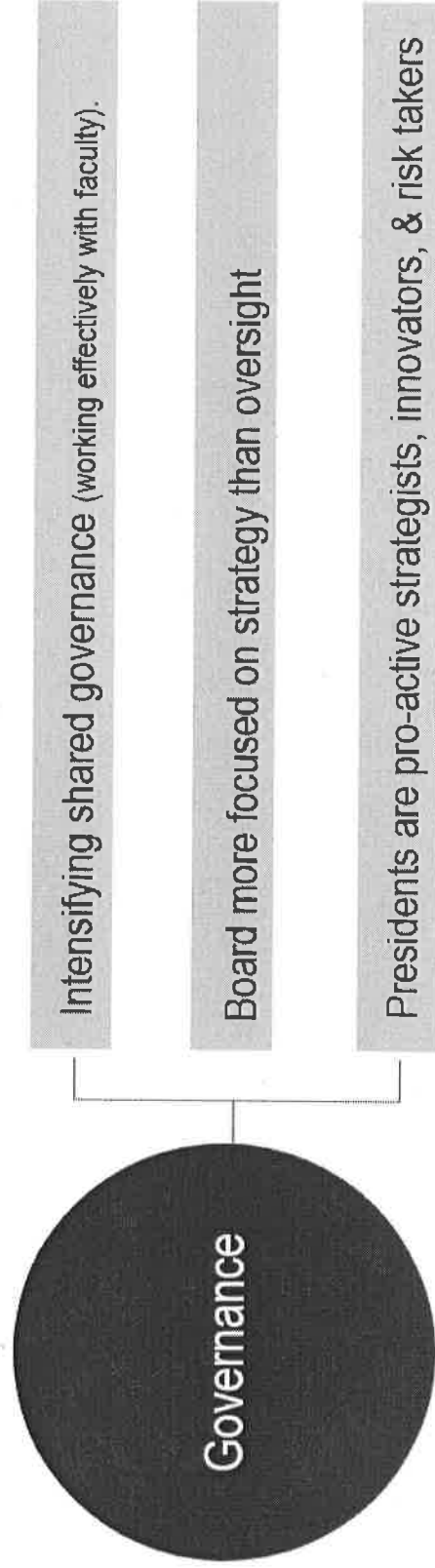
What are colleges doing to generate financial return?



What are colleges doing to generate financial return?

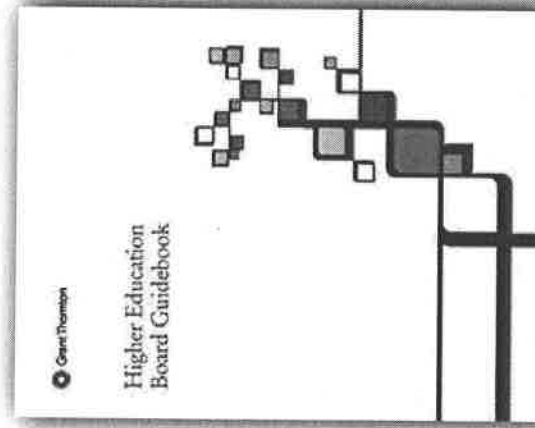
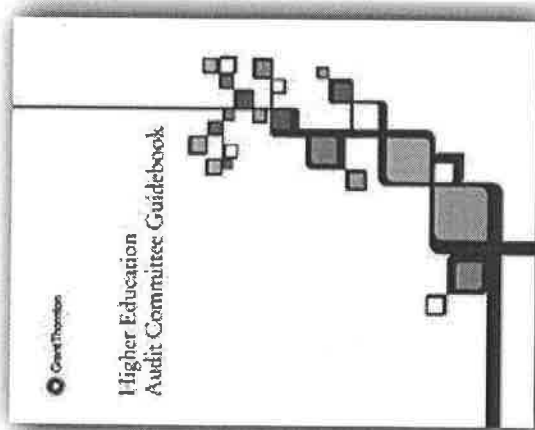


What are colleges doing to generate financial return?




Additional resources

www.grantthornton.com/industries/NFP



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ATTACHMENT D

2018-2020 Internal Audit Plan Status

COMMUNITY COLLEGE OF PHILADELPHIA

Date: September 24, 2018
To: Audit Committee Members
From: Robert Lucas, Internal Auditor
Subject: Internal Audit – Plan Status and Other Information
Copies: Donald Generals, Judith Gay, Jacob Eapen, Victoria Zellers

Since the last Audit Committee meeting, the following audit work has been performed:

- Internal audit reports issued but not finalized:
 - Emergency Operations (Business Continuity) Plan

- Draft internal audit reports issued to management:
 - Non-ITS Administered Programs
 - Pell Grant Appeals (by 9/26)

- Audits in progress to be completed shortly:
 - FERPA

- Audits scheduled for the next calendar quarter:
 - Purchasing Cards
 - Clery Act

- Completed an update of the Internal Audit Follow Up Matrix

- Obtained approval of the 2018-2020 Internal Audit Plan from management

* * * * *

Community College of Philadelphia

Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
12/8/2015	ADA / Center on Disability Joan Bush	Internal Audit recommends that the Center on Disability follow the advice expected shortly from the Data Breach Committee in regard to personal identifiable information, especially SSNs, obtained in the processes for adjudicating student requests for accommodations.	2/29/16 6/30/17 (Update of Progress) 12/22/17 (Status Update) 6/15/18 (Status Update)	A database designed to manage data on students with disabilities will be reviewed with IT for implementation. No SSN's numbers will be included in the database. Target date for completion is February 29, 2016. In its 2016-2017 budget, COD management has requested a stand-alone database to manage the online information related to accommodations requested by students. Target date is TBD. An external ADA review was performed in 2018 which concurred with the recommendation for a COD database. Senior management is now reviewing this need and upon approval, a timeline for the purchasing and implementation of this database will be established. Target date remains TBD.
45			9/15/18 (Status Update) 2/28/19 (Status Update)	The expected cost of the database was included in the approved 2018-2019 budget. Target date remains TBD. An RFP is being executed for the purchase of the COD database.
4/21/2016	Library Hold Releases Joan Bush	If library staff retain the ability to release holds for fines and lost books, reconciliations of cash collected to released holds must be performed periodically and reviewed by management. Any differences must be investigated and resolved.	12/31/16 7/1/17 (Update of Progress) 12/22/17 6/15/18 (Status Update) 9/1/18 (Status Update) 12/31/18	Management has convened a team to review the current processes and controls. Potential changes include transferring certain controls to the Bursar's group which will eliminate the need for reconciliations between Millennium records (fines released) and Banner records (cash collected). An RFP process has begun to acquire a new ILS system and expected to be implemented by 7/1/17 which have interfaces to update Banner records on a timely basis. Fines are expected to be eliminated under new library policies any necessary payments will be directed to the Bursar. Target date new ILS implementation is now 12/22/17.
50				The implementation of the new ILS system, Alma, occurred as scheduled. Library fines have been eliminated. Borrowers will be charged for lost / unreturned materials. A draft process including replacement cost methodology has been developed and must be approved by management. Procedures for transferring charges to the Bursar remain to be addressed. The Overdue and Lost Items Process was approved by division management and is effective 9/4/18. The Bursar and Library have tested the crosswalk from ALMA to Banner for the cost of lost books onto student accounts. ITS will automate the process of transferring lost book costs with the first transfer of actual records expected by the end of the fall semester.

Community College of Philadelphia

Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
4/21/2016	Library Hold Releases Joan Bush	Management should review the dollar amounts of fines and maximums per book to ensure the amounts correlate to the values of borrowed books.	12/31/16 7/1/17 (Update of Progress)	Management has convened a team to review the current fines and lost book charges and propose changes as appropriate to help streamline this process. Library staff and faculty are developing a proposal for a new borrowing policy by January 13, 2017. Proposal will require senior management approval. Target date new ILS implementation is now 12/22/17.
54			6/15/18 (Status Update) 9/1/18 (Status Update) 12/31/18	The implementation of the new ILS system, Alma, occurred as scheduled. Library fines have been eliminated. Borrowers will be charged for lost / unreturned materials. A draft process including replacement cost methodology has been developed and must be approved by management. The Overdue and Lost Items Process was approved by division management and is effective 9/4/18. The Bursar and Library have tested the crosswalk from ALMA to Banner for the cost of lost books onto student accounts. ITS will automate the process of transferring lost book costs with the first transfer of actual records expected by the end of the fall semester.
5/25/2016	ITS Physical Security Gary Bixby	ITS and Facilities management should take appropriate steps and plans to reduce the risks associated with connectivity rooms left wide open.	6/30/17 6/30/18 9/15/18 (Status Update)	ITS management noted that a plan to move the connectivity hardware to a separate room. ITS management states that the project has again been included and approved in the capital budget for the 2016-2017 fiscal year although they do not know when construction will begin. The project has been re-scheduled for the Spring/Summer of 2018. The current IT Closet has been locked down at the WERC campus and is no longer used by custodians or others. An alternative space for this ITS connectivity room has been included in a larger project for this regional center. Consequently, the project has been re-scheduled for the fall semester of 2018.
59				

Community College of Philadelphia

Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
5/25/2016	ITS Physical Security Jody Bauer Randy Merced	The doors to the rooms which house connectivity equipment should have electronic locks to limit access and record who enters the rooms.	12/31/16 6/30/17 (Update of Progress) 12/31/17 (Update of Progress)	<p>ITS and the Safety and Security Departments are currently engaged in a long term project to reprogram electronic door locks so that they will work with the current CBord system.</p> <p>As of August 2016, second and third floor door locks in CBI have been migrated to CBord and licensing is in place on server. Awaiting direction from Safety and Security for plans for other door locks.</p> <p>Update from management as of 12/21/2016: All CBI doors have been converted to CBord. Door repairs for some double door issues are pending.</p> <p>Door repairs have been addressed. New electronic locks are expect to be installed on the remaining three ITS server rooms deemed critical by the start of the fall 2018 semester.</p> <p>New electronic locks are being ordered for MG-6, the Core Server Room and NW207 with completion of the upgrades expected by the end of 2018.</p>
5/25/2016	ITS Physical Security Gary Bixby	Management should consider installing additional gaseous systems in rooms which have significant risk of business and classroom interruption based on the type of equipment in the connectivity rooms.	6/30/17 (Update of Progress) 4/30/18 9/15/18 (Status Update) 5/31/19	<p>Management has decided to upgrade the fire suppression systems from sprinklers to gaseous systems in three rooms deemed critical due to the nature and value of electronic equipment in those rooms. Specifically, upgrades in rooms B2-39, MG-6A and W1-E1 have been included in the budget for the 2016-2017 fiscal year and, as such, should be completed by June 30, 2017.</p> <p>Update as of 12/21/2016: Phase One: The 3 CRITICAL Closets (MG-6A, B2-39, W1-E1) are pending the release of the RFP for installation of the FM200 fire suppression systems. Phase 2: Time and funding permitting the regional center IDF's will be addressed later for gaseous fire suppression.</p> <p>The scope of work for this project has been completed. RFP is expected to be posted by 10/4/17 with work to be completed by 4/30/18.</p> <p>RFPs have been issued. Work is expected to be performed over the summer 2018 and completed by the start of the fall semester.</p> <p>Fire Suppression will be installed for MG-6A and W1-E1 and work will be done on ceiling installations to support the fire suppression equipment. B2-39 no longer needs this upgrade as critical equipment housed in that space has been moved to a protected room.</p>

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Community College of Philadelphia

Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
5/3/2016	Remote Sites of DACE CBO Program David Thomas	Internal Audit recommends that that DACE management develop a process to provide a substitute supervisor when such absences occur or are requested.	9/1/16 4/30/17 10/31/17 5/31/18 (Responses for 2018 Draft Report)	The College and the CBOs have an understanding that the CBO administrator will ensure that the DACE students remain in designated areas, that the course ends on time and that DACE students leave the site in accordance to standard procedures. Management will document this and formally communicate this with the CBOs again before the fall semester. In the rare event that site supervisors may have to leave early and the CBO's designated administrator is unable to fulfill these duties, the class(es) will be dismissed. Internal Audit will follow up on these plans during the spring 2017 audit of this subject. A revised management response in the 2017 / 2018 CBO Visits audit report will address the status of this action. See update to the actions plans above in item # 81 below.
5/3/2016	Remote Sites of DACE CBO Program David Thomas	Internal Audit recommends that Safety and Security management determine that the site supervisors are aware of the emergency procedures for each facility should be documented and provided to the site supervisors each semester based on the assignment of site supervisors.	9/1/16 10/31/17 5/31/18 (Responses for 2018 Draft Report)	Management will contact the Dean of the DACE group to coordinate our assessments of the plans at each CBO location. To ensure the College's site supervisors understand the plans at each site and communicate them to the instructors and students, we expect to visit to these sites at the beginning of each semester beginning with Fall 2016. Safety and Security management met with directors at both sites in fall 2016 and observed briefing of students at one location in fall 2016. Emergency plan briefings to the CBO classes will be confirmed or provided by Safety and Security management at the beginning of each semester beginning fall 2017. Security & Safety management have requested that each division provide their remote site staff with safety instructions including references to new CCP online resources. This request will be discussed with affected division VPs and final resolution / action plans will be included in 2017 / 2018 CBO Visits audit report. See update to the action plans above in item # 83 below.
5/24/2018	Disaster Recovery and Response Jody Bauer	Substantive testing of the DRRP should be documented. Issues and resolutions should be tracked and documented until completed. Table-top exercises should also be performed periodically using a variety of scenarios and timing.	6/30/18	Testing procedures and results will be documented and maintained moving forward. Tabletop exercises will be added to the monthly DR meetings held in ITS. These procedures will also be documented in the DRRP within the next 90 days (no later than June 30, 2018).
5/24/2018	Disaster Recovery and Response Jody Bauer	Cyber Breach Committee should meet quarterly to determine the status of data which may not be sufficiently secured. The CIO should be empowered to direct actions to be taken to secure this data. Senior management should be informed of risk areas not secured in a timely manner.	9/30/18	Data Breach Committee will begin meeting again prior to the end of the spring 2018 term. (Meeting was held on May 2.) The committee charge will be reviewed and refined during the first meeting. A meeting schedule will be presented to setup quarterly meetings. A survey for College units, similar to the 2016 survey, will be performed to determine the state of our PII data and the locations of such data.

Community College of Philadelphia

Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
5/24/2018	Disaster Recovery and Response Jody Bauer	Several critical server rooms had sprinklers systems for fire suppression which would cause water damage to the equipment they are designed to prevent damage from fire. This concern was included in the ITS physical security audit report and management has established actions plans to replace the sprinkler systems in these rooms with gaseous fire suppression systems.	9/15/18 (Status Update)	See Management Response / Follow Up for item # 63 above.
6/12/2018	Remote Sites of DACE CBO Program David Thomas (DACE)	DACE management should develop a process to provide a substitute site supervisor when absences occur or are requested.	09/30/18	In the event of a last minute Site Supervisor absence, the Faculty will be alerted and informed that they must pay close attention to their students' whereabouts within the facility, both during class time and as they are dismissed. In the event of an absence beyond one day, a substitute Site Supervisor will be sent to the facility.
6/12/2018	Remote Sites of DACE CBO Program Waverly Coleman (WEI)	WEI management should develop a process to provide a substitute site supervisor when absences occur or are requested.	09/30/18	In the event of a last minute Site Supervisor absence, the Faculty will be alerted and informed that they must pay close attention to their students' whereabouts within the facility, both during class time and as they are dismissed. In the event of an absence beyond one day, a substitute Site Supervisor will be sent to the facility. WEI management has developed an internal procedure which provides guidance to staff to obtain a substitute site administrator in the event of an absence beyond 2 days.
6/12/2018	Remote Sites of DACE CBO Program David Thomas (DACE)	Child abuse and criminal background checks should be performed for any College staff and faculty working at the DACE CBO sites who have not had such a check in the period required by the related PA laws.	09/30/18	All Instructors and Site Supervisors who work in leased facilities with students less than 18 years of age, will have the required background checks and child abuse clearances, arranged and tracked through the College's Human Resources Department.
6/12/2018	Remote Sites of DACE CBO Program Waverly Coleman (WEI)	Child abuse and criminal background checks should be performed for any College staff and faculty working at the WEI sites who have not had such a check in the period required by the related PA laws.	09/30/18	All Instructors and Site Supervisors who work in leased facilities with students less than 18 years of age, will have the required background checks and child abuse clearances, arranged and tracked through the College's Human Resources Department. WEI management will work with Human Resources to ensure that all instructors and site supervisors have appropriate background checks and clearances before the classes start each semester.
6/12/2018	Remote Sites of DACE CBO Program David Thomas (DACE)	DACE management will develop procedures which will facilitate briefings to these non-credit students regarding the appropriate emergency actions at each facility. These responsibilities can be designated to, or shared by the facility managers, the College's site supervisors, and the Public Safety team.	09/30/18	For courses taught at non-College locations, DACE and WEI will work with the appropriate persons at the facility to obtain specific emergency and safety information to distribute to CCP students and faculty. DACE and WEI will also direct the College's students and faculty to the College's Office of Public Safety's landing page for additional information. For courses taught for other entities at their facility, the College will take steps to ensure that the other entity orients faculty and students to safety procedures for that facility.

Community College of Philadelphia

Internal Audit Follow Up Matrix

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
6/12/2018	Remote Sites of DACE CBO Program Waverly Coleman (WEI)	WEI management will develop procedures which will facilitate briefings to these non-credit students regarding the appropriate emergency actions at each facility. These responsibilities can be designated to, or shared by the facility managers, the College's site supervisors, and the Public Safety team.	09/30/18	For courses taught at non-College locations, DACE and WEI will work with the appropriate persons at the facility to obtain specific emergency and safety information to distribute to CCP students and faculty. DACE and WEI will also direct the College's students and faculty to the College's Office of Public Safety's landing page for additional information. For courses taught for other entities at their facility, the College will take steps to ensure that the other entity orients faculty and students to safety procedures for that facility.

Action plans are complete and will be moved to the Completed Items tab

Community College of Philadelphia

Internal Audit Follow Up Matrix

Completed Items

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
5/9/2013	Remote Site Visit - ACE Judith Gay	Internal Audit recommends that CCP insist that this facility keep children in the designated area awaiting pick up. This segregation of the children from non-custodial adults will help ensure the safety of the children as well as limit the liability of CCP. Alternatively, CCP should identify another facility to hold this class which does not have such risks	09/01/13	Classes at Casa Del Carmen will now begin at 6:30 PM, providing an additional ½ hour for parents to pick up their children before students arrive for the adult education classes. Additionally, the site supervisor at Casa Del Carmen has agreed to further enforce the need for children to remain in the designated area, separate from the entrance designated for adult students, while waiting for parents to arrive for pick up. Verified during 2014 site visits.
2010 2013 Follow Up	CAHM Program Marian McGorry	Management has developed draft procedures for the CAHM program and should finalize them as soon as possible. Management may want to solicit other colleges to obtain copies of their procedures to ensure CCP's are as comprehensive.		We sent the CAHM procedures draft to Jill for her review and she gave us positive feedback. The draft was developed by the CAHM faculty and the draft document that Jill reviewed is attached. The CAHM faculty will formalize the copy of the document and distribute to all CAHM faculty and give future faculty the document. Enhanced procedures were finalized in December 2013 and were approved by General Counsel and CAHM faculty for immediate implementation.
2010 2013 Follow Up	CAHM Program Marian McGorry	Management should formalize the assignment of security-related procedures for the facilities utilized in the CAHM program within the job description of the responsible party.		Job descriptions for the Instructional Aides have been revised to assign end of shift security duties to the IAs. Chef Andy Marin, CAHM Curriculum Coordinator, has been asked to forward a copy of the document. Job descriptions for Instructional Aides have been finalized and approved by the VP of HR as well as by the appropriate Federation representatives. Duties for the two aides includes responsibilities for securing the CAHM facilities and office when no staff are present.
2010 2013 Follow Up	CAHM Program Marian McGorry	All IT equipment should be properly secured in the kitchen areas.		Rich Saxton, Business Administration Department Head, and Chef Andy Marin are working with MMS to secure all of the equipment. Laptops have been secured but are still open and accessible to anyone. The laptop in the metal cabinet has been secured and the key is stored in the office. While the CPU, monitor and video equipment is still not secured within the podium, the overall security of the CAHM facilities has been strengthened to ensure that all food prep, cooking and instructional assets are secured in the rooms. Multiple security cameras surround the CAHM areas and were determined to be working at the time of this follow up.
2012	Study Abroad Program Sharon Thompson	Risk and insurance procedures should be formally documented to help ensure the continuity of such processes.	12/20/13	Risk and insurance procedures have been formally documented.
2012	Study Abroad Program Sharon Thompson	The emergency management plan related to this program should be updated and reissued.	12/20/13	The emergency management plan has been updated. It was provided to all faculty leading trips during the 2013-2014 academic year.

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
7	2012 Study Abroad Program Sharon Thompson	Internal Audit recommends that the administrative and risk management teams for the Study Abroad program review the need for criminal background checks with General Counsel and determine CCP's position.		This recommendation was reviewed with the Study Abroad Coordinator and with General Counsel. Requiring background checks for students who travel abroad does not appear to be best practice in the field. We will however continue to incorporate internal checks to ensure that students do not have any disciplinary holds on their records or a significant history of disciplinary issues at the College. This has been written into our guidelines.
8	8/19/2013 ITS - Mobile Device Inventory Jody Bauer	Internal Audit recommends that procedures for mobile devices be enhanced to include procedures and controls related to: (1) perpetual inventory records; (2) periodic reconciliations of device phone numbers to carrier invoices; and (3) periodic physical inventories of devices reconciled to perpetual records.		A procedure manual will be created to define the ITS internal processes to support mobile device inventory, tracking and reporting. Procedures were provided for the inventory and reconciliation processes.
9	8/19/2013 ITS - Mobile Device Inventory Jody Bauer	Action plans should be developed to address differences noted between perpetual inventory records and carrier invoices.	9/30/13 through 12/31/13	Numerous action steps taken or to be taken to address differences noted between inventory records and carrier invoices. Reconciliation to June 2014 invoices was provided.
10	8/19/2013 ITS - Mobile Device Inventory Jody Bauer	Inventory records of assigned devices should be reconciled each month to the carrier invoices to ensure only current active devices are being paid for by the College.	11/30/13	As stated above, all carrier bills have been reconciled. All devices unaccounted for have been deactivated. The process is now assigned to the Client Support Area for monthly review as compared to the inventory database. A process which must include Purchasing will be instituted to ensure timely deactivation of devices once reported as lost, stolen or returned.
11	8/19/2013 ITS - Mobile Device Inventory Jody Bauer	Internal Audit recommends that ITS management schedule periodic inventories of the various mobile devices issued to staff and faculty. Such inventories should be sufficiently frequent to ensure lost devices can be recognized as such with appropriate actions taken by ITS and Security.	11/30/13	As stated above, period inventories of all mobile devices has commenced and will continue on a quarterly basis. Device management software is being explored. The new support ticketing system has such a feature as does our current Microsoft Cloud environment. ITS is exploring all approaches and will determine a course of action within the next 30 days.
12	8/19/2013 ITS - Mobile Device Inventory Jody Bauer	Internal Audit recommends that ITS management consider the cost/benefit of a device management application and report its findings to the Cabinet for discussion as needed.	11/30/2013 2/17/17	ITS will begin discussions with the President's Cabinet concerning the need for a BYOD policy. Preliminary meeting held -- a) Mobile Iron will be loaded onto all current college-owned mobile devices, b) J Bauer will determine the cost and feasibility of implementing Mobile Iron or a similar product for all college employees that have a personal mobile devices, c) a draft BYOD policy will be developed, d) J Bauer will provide a Data Security presentation to the President's Cabinet. Update as of 5/15 - ITS has installed applications on mobile devices under their control - JAMF for Apple laptops and desktops, and SysAid for Apple and Android phones and tablets. These applications require users to use strong passwords on devices, force frequent password changes, and lock the devices after a short period of inactivity. The applications also allow ITS, as the administrator, to lock the devices or wipe their stored data clean in the event the devices are reported lost or stolen. Blackberry devices used by Facilities staff have similar controls as offered by the manufacturer. Controls related to personal devices used for College business or email are still being investigated. ITS has also eliminated the ability of such users to auto-forward their College email to their personal email accounts. Update as of 2/17/17 - ITS has made efforts but is unable at this time to execute a BYOD policy at the college. ITS has been successful in ensuring that all college-owned devices are registered and can be wiped as soon as ITS is notified of a lost device. Personal devices are not within our scope and faculty will not agree to allowing us access to their personal devices. At this time, we believe ITS has taken all available and executable steps to strengthen device management controls related to college-owned mobile devices.

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
13	10/25/2013 Purchasing Cards Jim Speiwak	The purchasing card policy should be reviewed and updated as deemed necessary.	4/30/2014	An updated procurement card policy will be available by 4/30/14.
14	10/25/2013 Purchasing Cards Gim Lim / Victoria Zellers	A new expense or travel and entertainment policy is recommended. The purchasing card policy should also be reviewed and updated as necessary and referenced to the new expense policy.	8/31/14 6/30/14 8/31/14 8/31/16	P Card policy and procedures were revised effective 12/14. A new travel and entertainment policy will be developed and presented to the Cabinet for their review and input by 6/30/14. A new travel policy has been developed, reviewed by the Cabinet, and is currently being reviewed by members of the Board of Trustees. Target date for implementation is June 30, 2016. New Travel Authorization and Reimbursement Policy was approved and posted 5/6/16.
14A	10/25/2013 Purchasing Cards Gim Lim / Victoria Zellers	A gift card policy is recommended.	8/31/17 11/15/17	A gift card policy has been drafted and a final version is expected to be reviewed by management and implemented by the fall semester. Legal Counsel is reviewing the draft policy and will discuss her recommendations with the Cabinet by June 30, 2017.
15	10/25/2013 Purchasing Cards Jim Speiwak	The P Card administrator should obtain a report from the bank on a monthly or quarterly basis to card limits per the verify bank limits agree to College requested amounts.	03/31/14	Policy is scheduled for review by the Cabinet in October with implementation expected by 11/15/17. Policy was reviewed and approved by the Cabinet and was posted on the College website on 12/12/17.
16	10/25/2013 Purchasing Cards Jim Spiewak	The P Card administrator should document procedures for temporary credit limit increases and for verifying that limits were returned to previous levels.	3/31/14 3/31/2014 8/31/14	Management will request quarterly reports from the bank with reviews beginning on or before 3/31/14. Management agrees that the P-Card coordinator should request records from the bank on at least a quarterly basis to assure that temporary limit increases have been properly reset by the bank as requested. The first review will occur on or before March 31, 2014. Management will also put in place a process of documenting in the cardholders file any permanent changes to limits immediately. New procedure for documenting P card limit changes has been developed and was effective July 1, 2015.
17	10/25/2013 Purchasing Cards Jim Speiwak	P Card administrator should verify that accounts have been closed for terminated employees using the periodic reports obtained from the bank to verify card limits and reports of terminated employees from HR.	01/31/14	Management will request a report from Human Resources on a monthly basis of all terminated employees. Finance will ensure that any credit cards issued to any of these employees are cancelled. This new practice will commence on January 31, 2014.
18	10/25/2013 Purchasing Cards Jim Spiewak	P Card Logs should be enhanced to allow details of meals and other expenses to be listed on the logs.	4/30/2014 8/31/14	The P Card Log will be redesigned on or before 4/30/14 and training will begin immediately thereafter. The P Card Log was revised and issued to card holders effective 12/14.

<i>Report Date</i>	<i>Area/ Responsible Party</i>	<i>Recommendation</i>	<i>Target Date</i>	<i>Management Response / Follow up</i>
10/25/2013	Purchasing Cards Jim Spiewak	Finance management should consider formalizing this review, especially in conjunction with a comprehensive policy which will provide a firm basis for any questions raised regarding expenses or related documentation.	6/30/2014 8/31/14	<p>The current control will be enhanced with the update of the P Card policy and the addition of a travel and entertainment policy which will provide standards to be reviewed against. In addition, the training of department supervisors who are the first level of control over such expenditures should also strengthen compliance with the policies. As noted above, the new policy will be in draft form for review by the Cabinet on or before June 30, 2014. Training of supervisors will begin as soon as the policy is finalized.</p> <p>2015 Update - There is a high volume of monthly transactions over a modest number of P card holders. Consequently, Finance management believes that the primary and secondary responsibilities should continue to reside with the P card holder and his/her supervisor approving the monthly log of expenses. Finance staff in Accounts Payable will continue to spot check logs based on user history and high amounts of monthly log totals and request further details or explanations for items which may not comply with the P card or travel policies.</p>
10/25/2013	Purchasing Cards Jim Spiewak	Management should reiterate to P cardholders their responsibilities in regard to the College's PA sales tax exemption in regard to their P Card purchases.	4/30/2014 8/31/14	<p>Cardholders will be provided with tax exempt certificates which they can present to vendors when making purchases at retail establishments. Purchasing staff will explore methods for cardholders to utilize when making online purchases. Training on the PA state tax exemption will begin on or before April 30, 2014.</p> <p>Email was sent to all P card holders on September 10, 2015 offering training to anyone who requests it on the reconciliation and approval processes as well as tax exempt certificates.</p>
10/25/2013	Title IX Si Brown	Internal Audit recommends departmental procedures be documented to help ensure compliance with Title IX as well as the continuity of such procedures.	06/30/14	<p>Procedures related to processes for sexual harassment will be documented by 6/30/14.</p> <p>Procedures were received in June 2014.</p>
10/25/2013	Title IX Samuel Hirsch	Internal Audit recommends departmental procedures be documented to help ensure compliance with Title IX as well as the continuity of such procedures.	6/30/14 9/30/17 10/31/17	<p>Procedures related to processes for sexual harassment and for equity in the sports program will be documented by 6/30/14. Title IX language will be included in the Athletics section of the Student Handbook as well as in the Athletics Handbook.</p> <p>Procedures have been documented. The Student Handbook has been updated with language approved by General Counsel.</p> <p>Revised Athletic Handbook will be printed in July 2017 for distribution to athletes beginning with the fall 2017 semester.</p> <p>Handbook has been ordered as of 9/27/17 and delivery expected soon with distribution to student athletes as soon as received.</p> <p>Handbooks were received and available for distribution to new College athletes on 9/29/17.</p>
10/25/2013	Title IX Samuel Hirsch	Internal Audit recommends that the basis for coaching salaries, including the salaries / pay grades and related approvals, and the number of assistant coaches is documented to help ensure consistency and reasoning for any variations.	07/31/14	<p>The VP of Student Affairs will ensure that the differences in coaching salaries and number of assistant coaches are documented for each applicable sport beginning with the fall 2014 sports program. He will also meet with Human Resources to determine the appropriate framework and factors to use for coaches' salaries.</p> <p>Salary Guidelines for Coaching Staff were provided on 7/8/14.</p>

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
10/25/2013	Title IX Samuel Hirsch	In regard to the EADA reports, the amounts are retained by the Athletics Director but it would be prudent to note on the reports which amounts are used and combined to determine the reportable amounts.	09/30/14	The VP of Student Affairs will ensure that the Athletics Director includes the steps for completing the EADA report in the documented procedures referenced in the Management Response above. In addition, the Athletics Director will note which amounts were combined and used to determine the amounts which are included in the EADA report beginning with the 2013-2014 reporting period.
2/14/2014	SDW Contract Jim Spiewak	Internal Audit recommends that the purchasing policies be updated to provide, at a minimum, guidance for contracts when an RFP is not issued (and when the absence of the RFP process is appropriate), the availability of RFP templates for use, guidance or reference, and the need for review and approval of all contracts by the College's General Counsel.	5/31/14 8/31/14 12/31/15	The Purchasing Department will update the policies related to purchasing and contracts by May 31, 2014 to provide better guidance to department managers. Such guidance will be enhanced to include the circumstances under which an RFP need not be issued as long as all other guidelines are followed. The requirement for review of all contracts by General Counsel will also be included in these updates.
25			6/30/17	The AVP of Budgets & Business Services is working with General Counsel to include this requirement in a planned revision of a related policy. Internal policy / procedure has been updated to include the requirement of all contracts to be reviewed by General Counsel. New approval checklist was also developed and includes required signature of General Counsel.
2/14/2014	SDW Contract Jim Spiewak	Internal Audit recommends that the Purchasing Department ensure that all contracts required by policy to be approved by the Board, including those for professional services, are presented to the Board for such approval prior to the execution of such contracts. In addition, the policy does not specify whether contract extensions or renewals are required to be approved by the Board.	2/14/14 8/31/14 6/30/17	Effective immediately, the AVP for Budgets & Financial Services, in conjunction with Purchasing Department, will ensure all contracts required by policy to be approved by the Board are presented for such approval. In addition, the Board will be solicited for their preference of approving renewed contracts which fall in the same financial parameters and the related policies will be updated as necessary. Management is proposing an increase in the contract amount which requires Board approval. The related policy will be finalized as soon as Board input and approval of the new amount is obtained.
26				Revised policy was approved by the Business Affairs Committee and then by the full Board on 9/8/17.
2/14/2014	SDW Contract Jody Bauer	Internal Audit recommends that any renewals of this contract include specific reference to remaining and/or additional services to be provided. In addition, for long-term services contracts, a percentage-of-completion reporting requirement should be a requirement.	02/14/14	ITS management will ensure that any renewals of this contract include much more specific language in the scope of services including expected timeframes or deadlines for tasks to be completed/delivered. Contract language will also have requirements for stating percentage of completion on periodic reporting required of the contractors. The SDW contract was not renewed for additional services in FY15.
27				
2/14/2014	SDW Contract Jody Bauer	Internal Audit recommends that College contracts for professional services include specific reference to remaining and/or additional services to be provided. In addition, for long-term services contracts, a percentage-of-completion reporting requirement should be a requirement.	2/14/2014 8/31/14	ITS management will ensure that any renewals of this contract or any new contract for professional services include much more specific language in the scope of services including expected timeframes or deadlines for tasks to be completed/delivered. Contract language will also have requirements for stating percentage of completion on periodic reporting required of the contractors. The audited contracted was not renewed. No other ITS professional services contracts have been executed through May 2015.
28				
2/14/2014	SDW Contract Jody Bauer	Internal Audit recommends that quarterly status reports resume effective with the first quarter of 2014 and continue for the duration of the contract in compliance with the original terms.	03/31/14	ITS management will request quarterly reports from this contractor resume beginning with the 1st quarter of 2014. Quarterly reports were supplied by the contractor for the first and second quarters of 2014 at which time the contract ended.
29				

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
2/14/2014 30	SDW Contract Jody Bauer	Internal Audit recommends that any renewals of this contract include specific reference to whether status reporting is deemed to be a billable activity or a general business obligation of the consultant beyond the specified scope of work.	03/31/14	ITS management will consult with the Purchasing Department for guidance on the subject of status reporting as a billable task. The resulting decision, anticipated by March 31, 2014, will be used in future RFP templates for professional services including the possible renewal of the contract for this vendor. The SDW contract was not renewed for additional services in FY15.
2/14/2014 31	SDW Contract Jim Spiewak	Internal Audit recommends that any contract for professional services include specific reference to whether status reporting is deemed to be a billable activity or a general business obligation of the consultant beyond the specified scope of work.	3/31/2014 8/31/14 6/30/16	The Purchasing Department will determine guidance on the subject of status reporting as a billable task and the resulting decision, anticipated by March 31, 2014, will be used in future RFP templates for professional services. In June 2016, the Purchasing Manager instructed staff to train RFP users to verify billed amounts to the scope of work to help ensure these agree.
2/14/2014 32	SDW Contract Jody Bauer	Internal Audit recommends that future weekly status reports include times that the consultant began and ended the work day, the names of projects on each task listed, the title of the person with whom meetings were held, and the durations of such meetings.	02/14/14	ITS management has requested from this contractor, and is already receiving, updated weekly reports based on interim suggestions by the Internal Auditor. These updated reports include more detailed time reporting, references to specific projects and full names or titles of any referenced College staff.
2/14/2014 33	SDW Contract Jim Spiewak	Internal Audit recommends various improvements to the insurance requirements for contracts and the ongoing monitoring of such insurance coverage for contractors.	5/31/2014 8/31/14	The Purchasing Department is currently having the College's RFP templates reviewed by outside counsel to ensure they are up-to-date and comprehensive. The "named insured" requirement will be added during this process. In addition, the Purchasing Department will update the current purchasing and contracts policies by May 31, 2014. Guidance was provided by Willis Insurance for prudent amounts of coverage the College should require based on the perceived risk of the subject or work being performed by its vendors.
2/14/2014 34	SDW Contract Jody Bauer	Internal Audit recommends that the weekly work summaries provided to ITS management be submitted to Finance with the request for payment which will ensure sufficient documentation for the disbursement is on file in Finance.	02/14/14	ITS management will begin submitting the weekly summaries of work along with the monthly invoices to Accounts Payable effective immediately. Detailed summaries are being provided as confirmed by Finance.
10/28/2014 35	Payroll Jim Spiewak	Finance management should identify any codes in the system which are not programmed to withhold the correct supplemental pay tax rate and make the necessary changes.	01/31/15	Finance will identify all pay codes which are not currently programmed to the correct supplemental withholding rate and will make the necessary changes to ensure all such rates comply with IRS requirements. Our target date to complete these corrections is January 31, 2015. Internal Audit confirmed that the system changes were made by the target date.
9/24/2015 36	Whistleblower Policy / Ethics Hotline Victoria Zellers	Internal Audit recommends various improvements to the insurance requirements for contracts and the ongoing monitoring of such insurance coverage for contractors.	11/15/15	The Whistleblower Policy was added to the www.mycsp.edu page under General Administration policies on October 21, 2015. The Whistleblower Policy will be added to bulletin boards in all buildings on all campuses by November 15, 2015. Internal Audit visited a sample regional center and verified that the policy was posting as appropriate on the employee bulletin board.
9/24/2015 37	Whistleblower Policy / Ethics Hotline Victoria Zellers	Internal Audit recommends that the primary College administrator, General Counsel, for this hotline / website vendor contact the company to confirm the designated representative for the College.	11/15/15	General Counsel will reach out to the Ethics Point to obtain the current departmental contacts on file, and will confirm the propriety of such contacts with the Cabinet members. Customer service issues with the vendor including confirmation of, and contact with, the current representative assigned to the College will be addressed by November 15, 2015.
9/24/2015 38	Whistleblower Policy / Ethics Hotline Victoria Zellers	Internal Audit recommends that management consider the merits of providing such training during the College's professional development weeks, which are held twice a year.	01/15/16	The Whistleblower policy will be included in the Employee Orientation package starting November 15, 2015. Additionally, the College will conduct training on the Whistleblower policy and the Ethics Hotline as part of "Critical Employment Policies" training during the Professional Development week in January 2016.

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9/29/2015	10KSB Grant Margaret Bradley	Internal Audit recommends the security over paper documentation be improved. Grant management should comply with the advise of the Data Breach Committee which should be issuing guidance shortly for this subject. Paper documentation that must be retained should be secured in locked file cabinets.	12/31/2015 4/30/16	The 10KSB team: 1) has identified a temporary home for documents that need to be secured; 2) will immediately elevate the request for sufficiently keyed file cabinets to the appropriate Facilities and Purchasing managers; and 3) has sent a complete survey response to the Data Breach Committee describing the types of media, data and documents retained by the grant team. We will await directions from the committee and implement recommendations on a timely basis, presumably by the end of 2015. Management is following up with Facilities on its request for keys or new locks for the file cabinets in their office spaces. All file cabinet keys have been obtained by 10KSB management.
12/8/2015	ADA / Center on Disability Simon Brown	Internal Audit recommends the Office of Diversity and Equity ensure its policies and procedures are updated to reflect the any changes in the ADA amendments related to individual accommodations.	01/31/16	We are reviewing the Disability Accommodations Policy # 353 and will ensure the policy reflects any changes in the ADA amendments related to individual accommodations. Policy #353 was updated on November 6, 2015
12/8/2015	ADA / Center on Disability Joan Bush	Internal Audit recommends the Center on Disability ensure its policies and procedures are updated to reflect the any changes in the ADA amendments related to individual accommodations.	2/29/2016	The Director of COD and the Dean of Educational Support Services will revise the COD website to clearly articulate students' rights and responsibilities and the College's rights and responsibilities under Americans with Disabilities Act, as Amended. (ADAAA). Target date for completion is February 29, 2016. COD management has completed a draft of these revisions which is currently being reviewed by the VP of Academic and Student Success. Students' and the College's rights and responsibilities are now included on the COD web pages on ccp.edu and myccp.edu
12/8/2015	ADA / Center on Disability Simon Brown	Internal Audit recommends the Diversity and Equity department have a set of documented procedures to help their staff ensure the consistency of the process for employees requesting accommodations.	01/31/16	We are reviewing the Disability Accommodations Policy # 353 and will ensure the policy reflects any changes in the ADA amendments related to individual accommodations. Furthermore, we will also ensure that the updated policy has clear documented procedures for everyone to follow. Policy #353 was updated on November 6, 2015
12/8/2015	ADA / Center on Disability Joan Bush	Internal Audit recommends the Center on Disability have a set of documented procedures to help their staff ensure the consistency of the process for students requesting accommodations.	2/29/2016	The Director of COD will research and develop protocols for evaluating student requests for disability-related accommodations based upon current CCP practice and upon best practices. Protocols will be reviewed by the Dean of ESS and the VP of Academic and Student Success. Target date for completion is February 29, 2016. COD management has completed a draft of these procedures which is currently being reviewed by the VP of Academic and Student Success. COD procedures have been completed and provided to all department staff for reference.

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12/8/2015	ADA / Center on Disability Joan Bush	In order to comply with FERPA, Internal Audit recommends that 1) keys for the file cabinets should be provided to the Center on Disability administrative staff immediately; 2) the doors for the entrance into the suite of offices for the Center on Disability be repaired immediately; and 3) access rights for the shared fax and scan folder for Center on Disability documents in the shared drive must be configured to allow on access only by the staff in that group.	01/31/16	In regard to the above recommendations, management has requested that keys be made for the file cabinets (and we expect to have them by January 31, 2016). In addition, the doors for the entrance into the suite of offices for the Center on Disability have been repaired. Lastly, the access rights for the shared fax and scan folder for Center on Disability documents, in the shared drive, have been configured to allow access to only the staff in COD. The entrance doors were repaired before the issuance of the final audit report. Separate scan and fax folders for COD were created before the issuance of the final audit report. Keys for all file cabinets have been obtained.
12/8/2015	ADA / Center on Disability Simon Brown	Internal Audit recommends a formal appeals process to provide a second opinion on accommodation decisions for employees.	01/31/16	Diversity and Equity will include the appeals procedures in the update of policy #353. Policy #353 was updated on November 6, 2015 and includes the appeals process.
12/8/2015	ADA / Center on Disability Joan Bush	Internal Audit recommends a formal appeals process to provide a second opinion on accommodation decisions for students.	2/29/2016	College's appeals process for students is to contact the Director of Diversity and Equity. The Dean of ESS and the Director of COD will outline the steps for students and will review with the Vice President of Academic and Student Success. The appeals process will be posted on the COD website. Target date for completion is February 29, 2016. COD management has completed a draft of an appeals process which is currently being reviewed by the VP of Academic and Student Success. A "complaint" process has been documented and is included in the COD on the web pages of both ccp.edu and myccp.edu
12/8/2015	ADA / Center on Disability Joan Bush	Internal Audit recommends that records in the Center on Disability related to denied accommodations be grouped together both as hardcopy and online. In addition, the main Excel database, or a separate tab or file one, should include an electronic record of each denied request.	2/29/2016	A database designed to manage data on students with disabilities, will be reviewed with IT for implementation. Target date for completion is February 29, 2016. COD management noted that: 1) online records of student accommodation denials are now maintained separately from approved ones; and 2) denial records will also be noted as such in the new database requested in the 2016-2017 budget. Electronic and paper records of accommodation denials are now contained in separate areas for reference if needed.
4/21/2016	Library Hold Releases Joan Bush	ITS should have full administrative rights to the Millennium program. Senior management should determine whether such rights are shared with library managers.	12/31/16 7/1/17 (Update of Progress) 12/22/17	Library management is currently retaining administrative rights to Millennium but is consulting with ITS to help ensure appropriate access for library staff. Administrative rights are expected to be transferred to ITS when a new (requested) library system is obtained. RFP for new ILS was posted December 15, 2016. Target date for implementation date is no later than July 1, 2017. ITS administrative role is to be determined before that date. Target date new ILS implementation is now 12/22/17. ITS administrative role will be determined before that date. The implementation of the new ILS system, Alma, occurred as scheduled and security profiles have been established including full administrative rights for ITS, although ESS is retaining primary administrative rights (including a backup) within the library services' management staff.

<i>Report Date</i>	<i>Area/ Responsible Party</i>	<i>Recommendation</i>	<i>Target Date</i>	<i>Management Response / Follow up</i>
4/21/2016	Library Hold Releases Joan Bush	The dollar value of assessed library fines should be recorded in Banner, perhaps as Other Accounts Receivable.	12/31/2016	Management is currently reviewing several options for this issue including the most effective method for transferring the data, the collectability of existing fines, and the possibility of an amnesty program for some or all of the fines. The existing fines are to be deleted from the Banner and Millennium systems by 12/31/16 under an amnesty program approved by the VP of Business and Finance and the VP of Academic and Student Success.
4/21/2016	Library Hold Releases Joan Bush	SSNs should be purged from Millennium records if it is confirmed that they serve no purpose for recordkeeping.	12/31/2016 (Update of Progress)	Library management is working with ITS to determine the best method to eliminate SSNs in the Millennium system. Management reported that SSN records were deleted from Millennium by 12/31/16.
4/21/2016	Library Hold Releases Joan Bush	There is limited information transferred from Millennium to Banner. Library management should determine if exact amount of fines can be transferred which will support reconciliations between the systems.	12/31/16 7/1/17 (Update of Progress) 12/22/17	Management has convened a team to review the current processes and controls. Potential changes include transferring certain controls to the Bursar's group which will eliminate the need for reconciliations between Millennium records (fines released) and Banner records (cash collected). An RFP process has begun to acquire a new ILS system and expected to be implemented by 7/1/17 which have interfaces to update Banner records on a timely basis. Fines are expected to be eliminated under new library policies any necessary payments will be directed to the Bursar. Target date new ILS implementation is now 12/22/17. The elimination of fines for materials returned late was approved by senior management so this concern is no longer applicable.
4/21/2016	Library Hold Releases Joan Bush	ESS management should review system access periodically to ensure access rights are appropriate for the various positions in the library.	12/31/16 7/1/17 (Update of Progress) 12/22/17	Millennium system access has been modified with only a few senior staff having the ability to change any records. All other staff have read-only access. A new (requested) ILS system will support efficient periodic review of staff access to the system with profiles designed with ITS assistance. An RFP process has begun to acquire a new ILS system and expected to be implemented by 7/1/17. Access rights for the new system will be determined by Library management and reviewed by ESS management. Target date new ILS implementation is now 12/22/17. The implementation of the new ILS system, Alma, occurred as scheduled and security profiles have been established which clearly assign functions to staff based on their job duties within library services.

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
4/21/2016	Library Hold Releases Joan Bush	There are too many library staff with system access which include functions which could negatively impact the entire system and its database of records.	12/31/16 7/1/17 (Update of Progress) 12/22/17	Millennium system access has been modified with only a few senior staff having the ability to change any records. All other staff have read-only access. A new (requested) ILS system will support efficient periodic review of staff access to the system with profiles designed with ITS assistance. An RFP process has begun to acquire a new ILS system and expected to be implemented by 7/1/17. Access rights for the new system will be determined by Library management and reviewed by ESS management. Target date new ILS implementation is now 12/22/17. The implementation of the new ILS system, Alma, occurred as scheduled and security profiles have been established which clearly assign functions to staff based on their job duties within library services.
4/21/2016	Library Hold Releases Joan Bush	There are too many library staff with system access which includes the ability to modify accumulated fines.	12/31/16 7/1/17 (Update of Progress) 12/22/17	Millennium system access has been modified with only a few senior staff having the ability to change any records. All other staff have read-only access. Management is developing appeal procedures which will govern when fines will be modified, who will approve such changes and how they will be documented. An RFP process has begun to acquire a new ILS system and expected to be implemented by 7/1/17 which have interfaces to update Banner records on a timely basis. Fines are expected to be eliminated under new library policies any necessary payments will be directed to the Bursar. Target date new ILS implementation is now 12/22/17. The implementation of the new ILS system, Alma, occurred as scheduled and security profiles have been established which clearly assign functions to staff based on their job duties within library services. Library fines have also been eliminated for materials returned late.
4/21/2016	Library Hold Releases Joan Bush	The process for backing up information for library fines is antiquated and subject to loss of the records.	12/31/16 7/1/17 (Update of Progress) 12/22/17	Backup tapes of Millennium Tapes are being given to the ITS department every two weeks. Once a month, ITS will store the backups at Iron Mountain. Any new ILS system will provide digital backup records to address this issue. An RFP process has begun to acquire a new ILS system and expected to be implemented by 7/1/17 which will have programable, digital backup features. Target date new ILS implementation is now 12/22/17. The implementation of the new ILS system, Alma, occurred as scheduled. Library fines have been eliminated and the backup process for the new web-based ILS program is now automated, stored in "the cloud" by the vendor, and the backup process is performed daily.

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
5/25/2016	ITS Physical Security Randy Merced	In order to strengthen the controls over physical security across the College's campuses, management should consider additional video cameras at locations which will help security monitor rooms housing connectivity equipment as a preventative control. Management should also consider an additional camera outside the Mint tunnel entrance based on the room's use for both connectivity and as a staging area for new equipment.	12/31/16 6/30/17 (Update of Progress) 12/31/17	Management has just (May 2016) selected a consultant who will be reviewing the current video camera and recording systems across all College locations. Wiring for an additional camera outside the Mint tunnel entrance has been installed although a camera has not yet been installed. Camera inside MG-6 is now functional and an additional camera has been installed in the tunnel outside of the same room. Camera consultant review is in progress. Management is focusing on enhanced Cbord training for designated employees, as recommended by the consultant, before moving forward with the RFP process related to video camera recommendations. A contract for an upgrade to the CCTV security camera system, including additional cameras, is in place with work expected to be completed by 12/31/17. Two new CCTV cameras were installed in March 2018 which, in conjunction with ones previously in place, provide video coverage, including recording, of all six critical ITS server rooms.
5/25/2016	ITS Physical Security Randy Merced	Internal Audit recommends that, in regard to IT physical security, the database of keys issued should be updated to be able to determine all such persons, including security stations, which have access to these rooms.	8/31/2016 (Update of Progress)	ITS developed a SQL database for the Facilities group to better manage the keys issued to staff. ITS also developed a program to transfer the majority of records from the Access database to the SQL database. The transfer program was able to replace SSNs with J numbers for the majority of staff. Facilities staff are manually entering any remaining records for which a J number could not be obtained by the transfer program. The Access database with SSNs has been deleted from servers for the few staff which had it. Facilities plans to shred the old paper records of keys issued. Internal Audit will obtain a status update before the fall semester. Data from any remaining paper records of issued keys have been entered into the new electronic database and paper records have been destroyed.
5/3/2016	Remote Sites of DACE CBO Program David Thomas	Internal Audit recommends that DACE management develop a job description for the part time site supervisors.	05/12/16	The site supervisors in DACE are fully aware of their responsibilities, and we will review this with them again once the official job description is finalized. Part-time site supervisor job description will be completed by the start of the fall semester 2016. Job description was completed in May 2016.
1/17/2017	Terminated Employees Ellen Fernberger	A long-term practice is the basis for paying death benefits to a tenured full-time faculty member. A documented procedure for this situation would help guide staff and prevent any possible errors in processing such a payment.	01/17/17	Human Resources immediately documented this as a past practice which can now be referenced by any HR staff person to help ensure the accuracy and consistency of the amount paid in the event of the death of a tenured faculty member.
6/8/2017	Royalty Payments from Publishers Greg Murphy	Internal Audit recommends that Institutional Advancement document to the academic departments and to the Finance team that they should ensure staff do not deposit any checks received from publishers which are not permitted by law to be accepted by the College.	07/15/17	The Vice President of Institutional Advancement will issue a memo by July 15, 2017 to the Finance team, the Division of Academic and Student Success, and its own staff that, effective immediately, Institutional Advancement's Foundation staff should be informed of any checks received from publishers prior to any deposits being made. Memo was issued to all appropriate parties on August 29, 2017.

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Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
6/8/2017	Royalty Payments from Publishers Sam Hirsch	Internal Audit recommends that the Academic and Student Success Division document their understanding of how the remaining funds will be utilized.	07/31/17	The Vice President of Academic and Student Success will develop a plan for the use of the existing funds which have accumulated from these royalty payments. The plan will be sent to Institutional Advancement and to the Dean of Math, Science and Health Careers by July 31, 2017 to ensure that all parties are aware of the approved plan. The Division VP issued a memo to affected staff in the division on 1/22/18 with a copy to Foundation staff on 2/8/18.
8/30/2017	New Employee Process Lisa Hutcherson	Internal Audit recommends that procedures and checklists for new employee processes address each class and the major procedures to be performed to help ensure consistency and completeness.	12/22/17	Checklists for all employee types will be developed by the end of the fall semester. A process and procedure will be implemented by the end of the fall semester to assign responsible parties to confirm that all necessary documentation is obtained, and to ensure that we are consistently following up when necessary to obtain all necessary documents. New employee checklists have been drafted (and provided to Internal Audit) for all remaining categories of employees including the names of the responsible HR staff for ensuring the documentation is obtained. Management approval of the final versions and implementation of the checklists is expected the week of 3/26/18.
8/30/2017	New Employee Process Lisa Hutcherson	Internal Audit understands HR has issued, or will be issuing, a directive that all new employees must be processed through the HR department. HR also reserves the right to hold hard copies of paychecks for pick up by employees who have not completed all required documentation.	12/22/17	A meeting was held with all departments on Thursday, August 10, 2017, to review the new hire process, appropriate, up to date forms, and particularly the new federal I-9 requirements. An HR representative will be assigned, depending on the employee classification, to ensure that all forms are completed correctly and that the most current forms are used. HR management has met with administrative staff in various departments to communicate the requirements for new hire documentation and orientation. Additional procedural information will be provided to these departments before the end of the spring semester. New HR checklists, which name the HR staff responsible for new hires by type, will help ensure HR obtains all required documentation on a timely basis.
8/30/2017	New Employee Process Lisa Hutcherson	Internal Audit recommends that the use of additional checklists, documented procedures a guidance for new HR staff, and insistence that all new employees be processed in HR will all contribute to less issue related to this documentation.	12/22/17	Checklists for all employee types will be developed by the end of the fall semester. A process and procedure will be implemented by the end of the fall semester to assign responsible parties to confirm that all necessary documentation is obtained, and to ensure that we are consistently following up when necessary to obtain all necessary documents. New employee checklists have been drafted (and provided to Internal Audit) for all remaining categories of employees including the names of the responsible HR staff for ensuring the documentation is obtained. Management approval of the final versions and implementation of the checklists is expected the week of 3/26/18.
8/30/2017	New Employee Process Ellen Fernberger	Internal Audit determined that the Athletics Department had "appointed" certain employees in the past. This was brought to the attention of HR as soon as noted during the audit. HR management stated that they have ended this appointment process in Athletics and that all new head and assistant coaches are required to complete all necessary documentation in HR.	06/30/17	All new hires in the Athletics Department must now come to HR to complete all necessary paperwork. HR has advised management in the Athletics Department concerning this issue, and will copy the Dean of Students and Vice President of Academic & Student Success on all future communications to ensure compliance. If there is a missing legally required document, such as the form I-9, in accordance with federal law no paycheck will be issued.

Report Date	Area/ Responsible Party	Recommendation	Target Date	Management Response / Follow up
5/24/2018	Disaster Recovery and Response Jody Bauer	DRRP be amended to include appropriate references to the EOP including when ITS staff should alert managers designated in the EOP that an IT event has occurred, and so response efforts are coordinated.	5/1/18	The DRRP will be updated to reflect the EOP references noted within the next 30 days (no later than May 1, 2018). The DRRP was revised in May 2018 and it included references to the EOP as well as an embedded link to the online EOP within the electronic version of the DRRP.
5/24/2018	Disaster Recovery and Response Jody Bauer	Procedures for data breach, hacking and ransomware scenarios be formally documented and approved, and included in the DRRP. Plans for management to make related financial decisions should also be included.	6/30/18	Data breach, hacking and ransomware scenarios will be added to the DRRP within the next 90 days (no later than June 30, 2018). All recommended scenarios were included in the May 2018 revision of the DRRP.
5/24/2018	Disaster Recovery and Response Jody Bauer	DRRP should be reviewed, and updated as necessary, in the near future as it is more than one year old. Future reviews should be scheduled at least annually.	5/1/18	The DRRP will be updated to reflect the EOP references noted within the next 30 days (no later than May 1, 2018). The DRRP was revised and approved by management for distribution to ITS management and staff.
5/24/2018	Disaster Recovery and Response Jody Bauer	CCP's internet and intranet sites are under the control of the Marketing Department. All cyber activities should have plans in place to address and recover from incidents. ITS management should request plans be provided, or developed, which address these areas of risk. It may be prudent to include these plans in an appendix within the DRRP for easy reference by management.	5/24/18	Marketing's Creative Services team provided a brief plan and contact information in place for a disruption to the College's internet and/or intranet sites which are managed through a vendor who is also responsible for backing up the programming for the sites.
5/24/2018	Disaster Recovery and Response Jody Bauer Judith Gay	Management should designate one or two additional persons who are authorized to speak about a DRRP incident. ITS staff should be reminded that only persons named in the DRRP are authorized to speak to media about a DRRP incident.	5/24/18	The Communications Office selected two alternate staff to serve as the media contact in the event the primary one is not available. The names and contact information have been forwarded to the Chief Information Officer for inclusion in the upcoming revision of the DRRP. ITS staff were reminded via email on April 9 that, in the event of a DRRP-related incident, all media inquiries should be directed to the College's Communications Office.

Community College of Philadelphia
Internal Audit Plan - July 1, 2018 to June 30, 2020

Functional Area	Risk Rating	Risk Explanation / Reason for Audit	Fiscal Year	Planned Quarter
Financial Audits				
Colonial One Card	L	Determine controls over prepaid card program	2020	4
Check Requests - Vendors	L	Verify controls for payments to vendors	2019	4
Check Requests - Employees	L	Verify controls for reimbursements to employees	2019	4
Purchasing Cards	M	Determine compliance with purchasing card policies	2019	2
403(b) Transactions *	L	Determine controls over payments to retirement savings vendors	2020	2
Operational Audits				
403(b) Administration *	L	Determine controls over employee requests related to retirement savings	2020	2
Part-Time Faculty Medical Benefits	L	Determine controls and accuracy of medical coverage paid by staff	2019	3
Pell Grants - Appeal Process for Academic Progress	M	Determine compliance with requirements	2019	1
Veterans' Resource Center	M	Compliance with Veterans' Education Benefits Laws	2020	3
Compliance				
50th Anniversary Scholarship Program	M	Determine compliance with requirements	2019	3
Family Educational Rights and Privacy Act	M	Compliance with FERPA regulations	2019	1
State Recruiting Regulations	M	Determine compliance with regulations / restrictions	2020	3
Family Medical Leave Act	L	Determine compliance with policies, procedures and regulations	2020	3

Community College of Philadelphia
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Functional Area	Risk Rating	Risk Explanation / Reason for Audit	Fiscal Year	Planned Quarter
Residency Verification	L	Compliance with procedures and controls to pay tuition based on residency	2020	1
Forgivable Loans	L	Compliance with procedures and controls for such loans	2020	4
Clery Act	M	Compliance with law and required disclosures	2019	2
IT Audits				
Non-ITS Administered Software Programs	M	Determine adequacy of administration controls	2019	1
Network Security	L	Determine adequacy of controls for systems access	2020	1
Administrative				
Follow Up on Prior Issues			Ongoing	Ongoing
Committee Meetings (Grants, Data Breach, EMT, external audits/reviews)			Ongoing	Ongoing

Risk Ratings are Low (L), Medium (M), or High (H) based on a compilation of individually-rated risk factors including: financial statement impact; transaction volume; public relations/reputation; student satisfaction; legal/regulatory compliance; corporative initiatives; significant changes; known problems/issues; staff/faculty satisfaction; and executive override.