

**IMPERIAL COMMUNITY COLLEGE DISTRICT**

**IMPERIAL COUNTY**

**IMPERIAL, CALIFORNIA**

**AUDIT REPORT**

**JUNE 30, 2014**

**IMPERIAL COMMUNITY COLLEGE DISTRICT  
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JUNE 30, 2014**

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**IMPERIAL COMMUNITY COLLEGE DISTRICT  
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## INTRODUCTORY SECTION

**IMPERIAL COMMUNITY COLLEGE DISTRICT  
INTRODUCTION  
JUNE 30, 2014**

Introduction

The audit has the following objectives:

- To obtain reasonable assurance about whether the Imperial Community College District's basic financial statements are free of material misstatement.
- To consider the Imperial Community College District's internal control over financial reporting and

compliance with requirements that could have a direct and material effect on a major federal program.

- To perform tests of compliance with certain provisions of laws, regulations, contracts and grants,

# WILKINSON HADLEY KING & CO. LLP

D. Robert Wilkinson, CPA

Anthony M. King, CPA

CPAs AND ADVISORS

## INDEPENDENT AUDITOR'S REPORT

The Board of Trustees  
Imperial Community College District  
Imperial, California

Natalie C. Azzam, CPA

**Emphasis of Matter**

*Change in Accounting Principles*

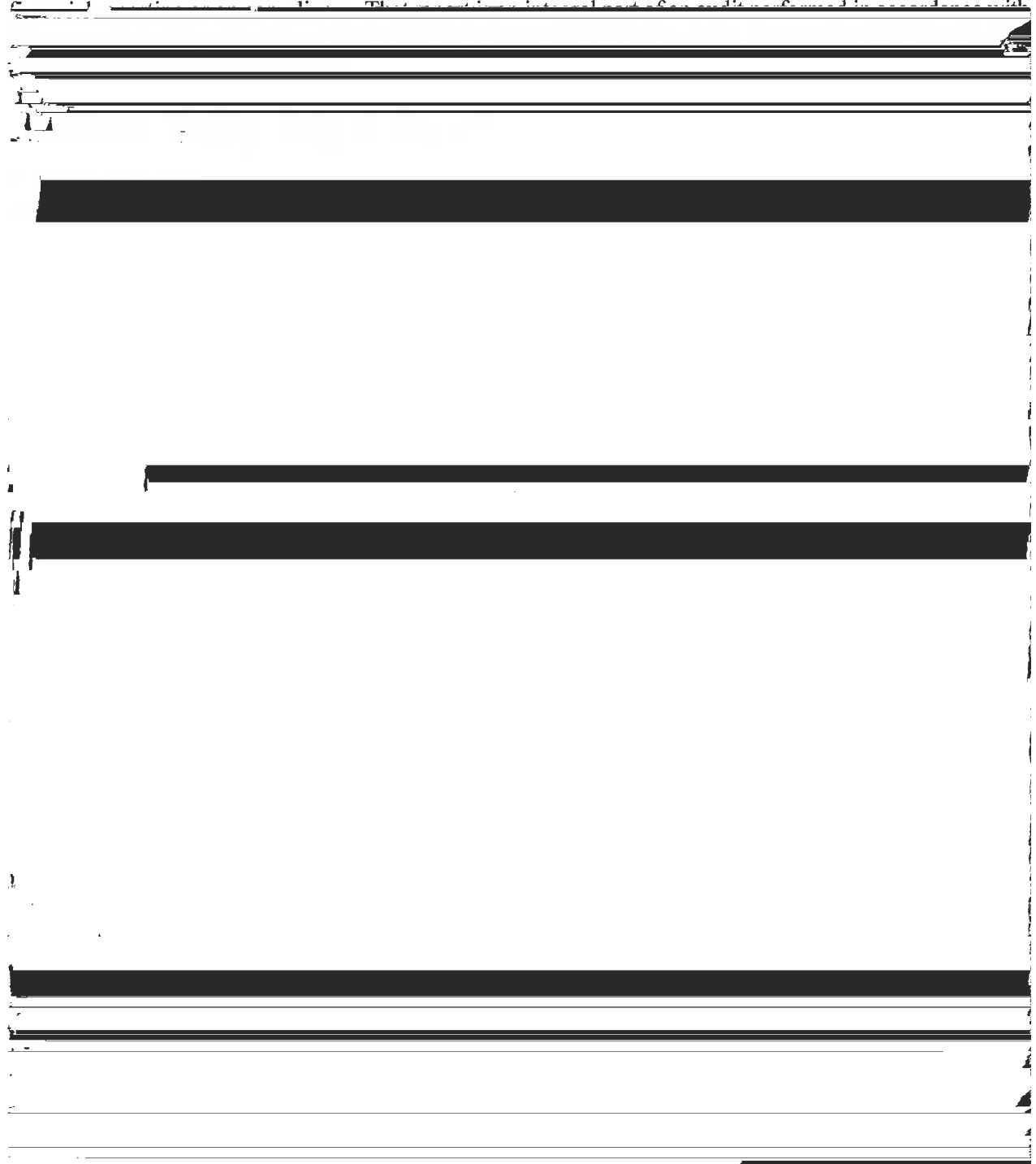
Accounting Principles Change

Accounting Principle	Year	Effect

*Required Supplementary Information*

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2014 on our consideration of Imperial Community College District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over



*Government Auditing Standards* in considering Imperial Community College District's internal control over financial reporting and compliance.



**IMPERIAL COMMUNITY COLLEGE DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS  
(Unaudited)  
June 30, 2014**

**INTRODUCTION**

The Imperial Community College District (the District) consists of one main campus. The  
[REDACTED]

[REDACTED]

District serves approximately 7,000 students. Full-Time Equivalent Student (FTES) enrollment for 2013-14 was 6,625.

The following discussion and analysis provides an overview of the financial position and activities of the Imperial Community College District for the year ended June 30, 2014. Please read it in conjunction with the financial statements and notes thereto which follow this section.

**FINANCIAL HIGHLIGHTS**

[REDACTED]

[REDACTED]

MANAGEMENT DISCUSSION AND ANALYSIS

(Unaudited)  
June 30, 2014

Additionally, fund balances are now referred to as Net Position, and the Statement of Cash Flows

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

IMPERIAL COMMUNITY COLLEGE DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS

(Unaudited)  
June 30, 2014

The Statement of Cash Flows is divided into five parts. The first part reflects operating cash flows and shows the net cash provided by the operating activities of the District. The second

institution. The third section deals with the cash used for the acquisition and construction of capital and related financing activities. The fourth part provides information from investing activities. This section reflects the cash received and spent for short-term investment and any

**MANAGEMENT DISCUSSION AND ANALYSIS**

(Unaudited)  
June 30, 2014

The Statement of Revenues, Expenses and Changes in Net Position for the year ended June 30, 2014, is summarized below:

	2014	2013	2012
Operating revenues	70,186,847	66,414,726	(3,772,121)
Operating expenses	(40,055,870)	(33,352,250)	(6,703,620)
	(42,553,014)		
<b>Deficit before depreciation and non-operating income and expense</b>	<b>.953</b>	<b>(666,488)</b>	<b>(4,278,465)</b>
Depreciation	(2,497,144)	(1,997,068)	(500,076)
<b>Deficit before non-operating income and expense</b>		<b>(35,349,318)</b>	<b>(7,203,696)</b>
Non-operating income and expense, net	37,608,061	34,682,830	2,925,231
<b>Increase (decrease) in net position</b>	<b>(4,944)</b>		
Net position (deficit), beginning of year	6,261,515	(11,938,780)	18,200,295
Restatement of Beginning Net Position (GASB 62)		18,866,783	(18,866,783)
Net Position (Deficit), end of year	1,316,562	6,261,515	(4,944,953)

**Operating Revenues**

The Changes in Net Position comparison presents the District's results of operation and shows

**IMPERIAL COMMUNITY COLLEGE DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS  
(Unaudited)  
June 30, 2014**

State apportionment is generated based on the FTES reported to the state by the District. The District has been able to fully restore FTES lost in the last two years.

Local property taxes are received through the Imperial County Office of Education. The amount received for property taxes and 98% of the amount charged to students for enrollment (currently \$46.00 per unit) is deducted from the total state general apportionment amount calculated by the state for the District.

The Statement of Cash Flows for the year ended June 30, 2014 is summarized below:

**Statement of Cash Flows**

	June 30, 2014	June 30, 2013	Change
Operating activities	(44,184,011)	(26,877,048)	(17,306,963)
Non-capital financing activities	37,522,231	34,513,130	3,009,101
Capital and related activities	(8,750,092)	(11,790,985)	3,040,893
<hr/>			
Net Increase (decrease) in Cash and Cash	(15,411,872)	(2,095,702)	(13,316,170)

**IMPERIAL COMMUNITY COLLEGE DISTRICT  
MANAGEMENT DISCUSSION AND ANALYSIS  
(Unaudited)  
June 30, 2014**

**CAPITAL ASSETS**

As of June 30, 2014, the District had over \$109.7 million invested in capital assets. Capital assets consist of land and land improvements; buildings and building improvements, infrastructure, vehicles, data processing equipment and other equipment that meets the

[REDACTED]			
[REDACTED]			
[REDACTED]			
[REDACTED]			
[REDACTED]			
[REDACTED]			

capitalization threshold recommended by GASB 35. These assets have accumulated depreciation of \$19.7 million, leaving a net asset amount of \$90 million.

A summary of capital assets net of accumulated depreciation and changes therein is presented below:

	June 30, 2014	June 30 2013*	Change
Land & Improvements	160,000	175,900	(15,900)
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

## **BASIC FINANCIAL STATEMENTS**

**IMPERIAL COMMUNITY COLLEGE DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2014**

	<u>District</u>	<u>Imperial Valley College Foundation</u>
<b>ASSETS</b>		
Current assets:		
Cash in county treasury	\$ 8,639,954	\$
Cash in banks	70,664	160,851
Cash with fiscal agent	610,469	
Investments		1,737,760
Revolving cash	20,217	
Accounts receivable, net	6,996,206	
Stores inventory	21,716	
Total current assets	16,359,226	1,898,611
Non-current assets:		
Capital assets, net of accumulated depreciation	89,936,111	15,000
<b>TOTAL ASSETS</b>	<b>7</b>	<b>\$ 1,913,611</b>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	\$ 1,842,716	\$
Unearned revenue	2,135,153	
Compensated absences	695,363	
Bonds payable - current portion	1,762,436	
COPS payable - current portion	725,000	
Total current liabilities	11,860,668	
Non-current liabilities:		
Bonds payable	76,666,002	
Bond premium	441,934	
Accreted interest	4,924,155	
Net OPEB obligation	11,086,016	
Total non-current liabilities	93,118,107	
<b>TOTAL LIABILITIES</b>	<b>104,978,775</b>	
<b>NET POSITION</b>		
Restricted - expendable	147,318	369,192
Restricted - non expendable		1,360,070
Unrestricted	1,169,244	184,349



**IMPERIAL COMMUNITY COLLEGE DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
JUNE 30, 2014**

	District	Imperial Valley College Foundation
<b>OPERATING REVENUES</b>		
Tuition and fees	\$ 2,149,470	\$ -
Grants and contracts, non-capital:		
Federal	21,477,575	-
State	5,952,839	-
Local	428,498	811,941
Sales and Commissions	122,595	-
<b>TOTAL OPERATING REVENUES</b>	<b>30,130,977</b>	<b>811,941</b>
<b>OPERATING EXPENSES</b>		
Academic salaries	19,071,914	
Classified salaries	8,663,933	115,857
Employee benefits	11,804,411	14,969
Supplies, materials and other operating expenses	6,125,508	83,630
Financial aid	20,184,912	258,184
Utilities	802,038	
Interest and fiscal charges	3,534,131	
Depreciation	2,497,144	
<b>TOTAL OPERATING EXPENSES</b>	<b>72,683,991</b>	<b>472,640</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(42,553,014)</b>	<b>339,301</b>
<b>NON-OPERATING REVENUES</b>		
State apportionments, non-capital	7,708,347	
Local property taxes	8,015,710	
State taxes and other revenue	1,798,174	
Interest and investment income	85,830	40,769
Net realized gain on investments		26,142
Net unrealized gain on investments		81,711
<b>TOTAL NON-OPERATING REVENUES</b>	<b>37,608,061</b>	<b>148,622</b>
<b>INCREASE (DECREASE) IN NET POSITION</b>	<b>(4,944,953)</b>	<b>487,923</b>
<b>NET POSITION, BEGINNING OF YEAR</b>	<b>6,261,515</b>	<b>1,425,688</b>
<b>NET POSITION, END OF YEAR</b>	<b>1,316,562</b>	<b>1,913,611</b>

IMPERIAL COMMUNITY COLLEGE DISTRICT

STATEMENT OF CASH FLOWS

JUNE 30, 2014

\$

Imperial Valley  
 District College Foundation  
 339,301

CASH FLOWS FROM OPERATING ACTIVITIES

Tuition and fees	2,149,470	\$	
Federal grants and contracts	21,477,575		
State grants and contracts	5,952,839		
Local grants and contracts	428,498		811,941
Sales and commissions	122,595		
	21,130,977		811,941

Payments to/on behalf of employees	(39,540,258)		(130,826)
	(39,540,258)		(130,826)

**STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2014**

	Associated Students Trust		Representation Fee Trust	Totals
<b>ASSETS</b>				
Cash on hand and in banks	132,303	10,787	93,136	236,226
Accounts receivable				
		Scholarship and Loan Trust	Campus Organizations	
<b>LIABILITIES AND NET POSITION</b>				
<b>CURRENT LIABILITIES</b>				
Due to governmental funds				
<b>TOTAL LIABILITIES</b>				
<b>NET POSITION</b>				
Restricted		10,787	93,136	103,923
Unrestricted	132,303			132,303
<b>TOTAL NET POSITION</b>	132,303	10,787	93,136	

**IMPERIAL COMMUNITY COLLEGE DISTRICT**

STATEMENT OF OPERATIONS - FUND BALANCE ACCOUNTING


	Associated	Scholarship and	Camnus	Representation	
	Students Trust	Loan Trust	Organizations	Fee Trust	Totals
<b>REVENUES</b>		\$			
Local revenues	\$ 133,465	345,111	\$ 100,754	\$ 19,520	\$ 598,850
Interest and investment income	19	58	22		99
<b>TOTAL REVENUES</b>	133,484	345,169	100,776	19,520	598,949

<b>EXPENDITURES</b>					
	6,287				6,287

	<b>JUNE 30, 2014</b>				
Scholarships and loans		344,961			344,961
Other operating expenses	80,047		92,239		191,806
Capital outlay	14,122				14,122
<b>TOTAL EXPENDITURES</b>		344,961	92,239		557
	33,028		8,537		773
	99,275	10,579	84,599		194,453
	\$ 132,303	\$ 10,787	\$ 93,136	\$	\$ 236,226

## 1. THE FINANCIAL STATEMENTS

IMPERIAL COMMUNITY COLLEGE DISTRICT

[REDACTED]

[REDACTED]

JUNE 30, 2014

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 34, Basic Financial Statements and Management Discussion and Analysis for State and Local Governments and including Statement

[REDACTED]

**IMPERIAL COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**  
**(Continued)**

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)**

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the

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measurement made, regardless of the measurement focus applied.





**IMPERIAL COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014  
(Continued)**

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)**

E. Assets, Liabilities and Equity (Continued)

On June 30, 2014, the district's financial position is as follows:

	2014	2013
Assets		
Current assets		
Cash and cash equivalents		
Accounts receivable		
Inventory		
Prepaid expenses		
Other current assets		
Total current assets		
Non-current assets		
Capital assets		
Total non-current assets		
Total assets		
Liabilities		
Current liabilities		
Accounts payable		
Accrued liabilities		
Deferred liabilities		
Total current liabilities		
Non-current liabilities		
Total non-current liabilities		
Total liabilities		
Equity		
Total equity		

**IMPERIAL COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014  
(Continued)**

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)**

7. Unearned Revenue

Unearned revenue arises when potential revenue does not meet the “measurable” and “available” criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the District has a legal claim to the resources, the

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IMPERIAL COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014  
(Continued)

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Accounting Changes

As a result of the adoption of GASB Statements No. 24 and No. 25, the District was also required

to make certain changes in accounting principles, specifically the adoption of depreciation on capital assets for all funds and the recording of long-term debt. Net position at July 1, 2013 was decreased \$13,307,261 for the cumulative effect of these changes on years prior to fiscal year ended June 30, 2014.

K. Use of Estimates



IMPERIAL COMMUNITY COLLEGE DISTRICT

FINANCIAL STATEMENTS FOR THE YEAR ENDED 2011

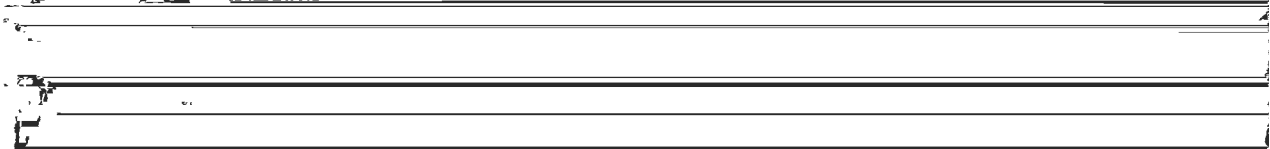


(Continued)

NOTE 2 - CASH AND INVESTMENTS (Continued)

Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the



IMPERIAL COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014  
(Continued)

NOTE 2 - CASH AND INVESTMENTS (Continued)

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the county pool.

e. Foreign Currency Risk

**IMPERIAL COMMUNITY COLLEGE DISTRICT**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2014**  
**(Continued)**

**NOTE 4 - ACCOUNTS PAYABLE**

Accounts payable balances at June 30, 2014 consists of the following:

Vendor payables	513,443
Salaries and benefits	143,131
State apportionment	130,904
Financial aid	458,512
Accrued interest/other	596,726
 Total	 \$ 1,842,716

**NOTE 5 - CAPITAL ASSETS**

A summary of changes in capital asset activity is as follows:

	Balance July 1, 2013	Net Change in Capital Assets	Balance June 30, 2014
<u>Capital Assets</u>			
Land	\$ 175,900	\$ (15,900)	160,000
Site Improvements	15,339,997	280,771	15,620,768
Buildings	62,826,992	2,392,968	65,219,960
Equipment	5,030,370	(28,118)	5,002,252
Work in Progress	15,543,023	8,178,483	23,721,505
Total Cost	98,916,281	10,808,204	109,724,485
	\$ 81,128,678		
<u>Accumulated Depreciation</u>			
Site Improvements	(2,835,778)	(757,464)	(3,593,242)
Buildings	(12,152,834)	(1,281,736)	(13,434,570)







**IMPERIAL COMMUNITY COLLEGE DISTRICT  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2014  
 (Continued)**

**NOTE 7 - BONDS PAYABLE (Continued)**

~~Debt service requirements on long-term revenue bonds and general obligation bonds payable~~

Year Ending June 30,	Principal	Interest
\$	1,762,456	\$ 1,765,248
	2,389,073	2,391,596
	2,452,428	2,435,239
	2,708,191	2,397,738
	1,882,264	3,261,341
	12,485,610	16,695,148
	15,774,120	19,005,067
	12,350,968	30,167,777
	10,334,012	34,740,124
	16,289,336	4,239,599

[REDACTED]

The following bonds were issued at a premium resulting in effective interest as follows:

2014A GOB

[REDACTED]

**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2014**  
**(Continued)**

[REDACTED]

Date of Issuance	Interest Rate	Maturity Date	Original Issue	Amounts Outstanding July 1, 2013	Issued Current Year	Redeemed Current Year	
2004	2.5%-4.9%	2014	<u>\$ 3,500,000</u>	<u>\$ 1,085,000</u>	<u>\$ -</u>	<u>\$ 360,000</u>	<u>\$ 725,000</u>

Bond premium arises when the market rate of interest is higher than the stated interest rate on the bond. Generally Accepted Accounting Principles (GAAP) require that the premium increase the

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]







IMPERIAL COMMUNITY COLLEGE DISTRICT

JUNE 30, 2014  
(Continued)

**NOTE 14 - POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)**

In the September 1, 2013 actuarial valuation, the actuarial cost method used was the entry age normal cost method. Under this method, an average age at hire and average retirement age are



NOTES TO FINANCIAL STATEMENTS



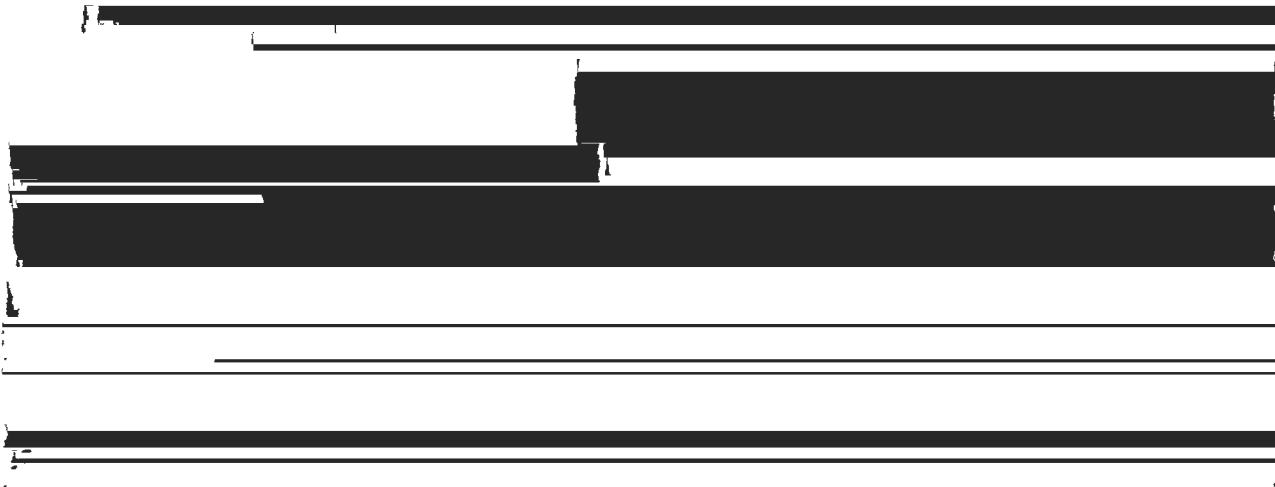
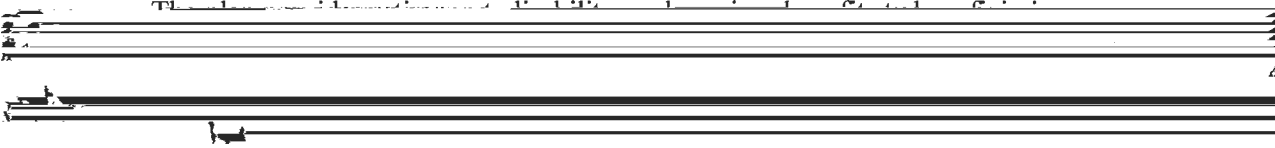
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**NOTE 16 - EMPLOYEE RETIREMENT SYSTEMS (Continued)**

STRS:

Plan Descriptions

The District contributes to the State Teachers' Retirement System (STRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by STRS.







**IMPERIAL COMMUNITY COLLEGE DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**

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\$  
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**JUNE 30, 2014**  
**(Continued)**

**NOTE 19 – CONSTRUCTION COMMITMENTS**

As of June 30, 2014, the district had the following commitments with respect to capital projects

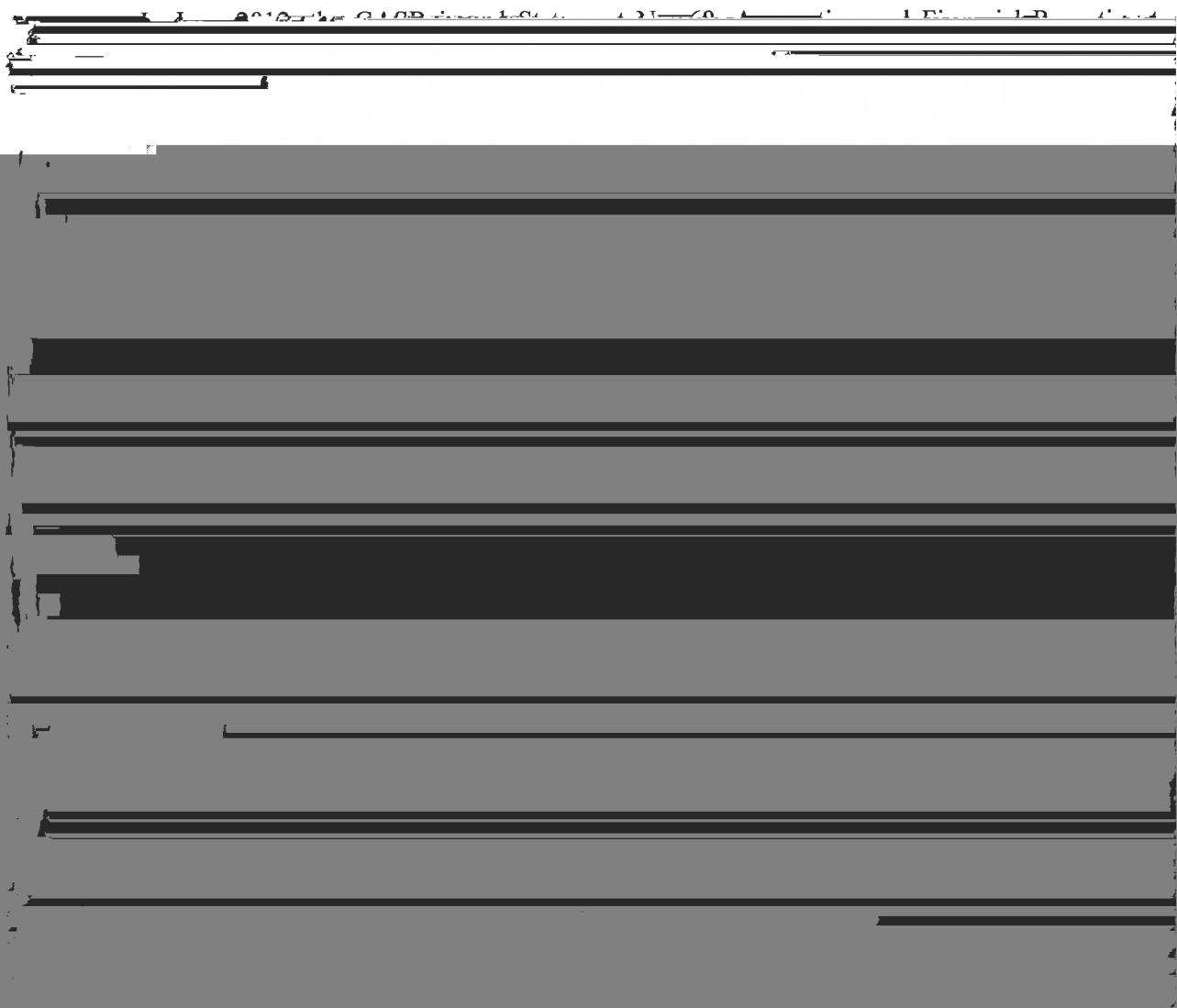
Construction in process	Commitment	Expected Date of Final Completion
<i>2017 Tech Building</i>	<i>690,007</i>	<i>January 2015</i>

Golf Cart Storage Yard	\$ 37,470,212	\$ 6,172,876	\$ 166,906	\$ 23,951,325	January 2015	211,425
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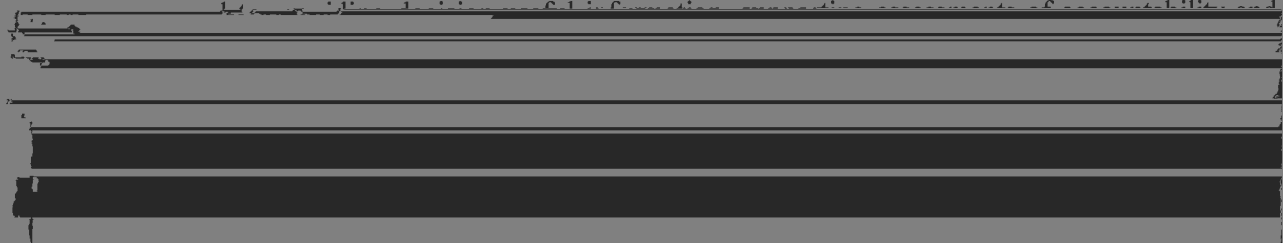
**IMPERIAL COMMUNITY COLLEGE DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014  
(Continued)**

**NOTE 22 – SUBSEQUENT EVENTS**

New Accounting Pronouncement

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Pensions, an amendment of GASB Statement 27. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with

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IMPERIAL COMMUNITY COLLEGE DISTRICT

[REDACTED]

[REDACTED]

JUNE 30, 2014  
(Continued)

NOTE 22 – SUBSEQUENT EVENTS (Continued)

Employers are classified in one of the following categories for the purposes of this Statement:

- Single employers are those whose employees are provided with defined benefit pensions

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

through single employer pension plans. Pension plans in which pensions are provided to the

IMPERIAL COMMUNITY COLLEGE DISTRICT

STATEMENT OF FINANCIAL OPERATIONS

(Continued)

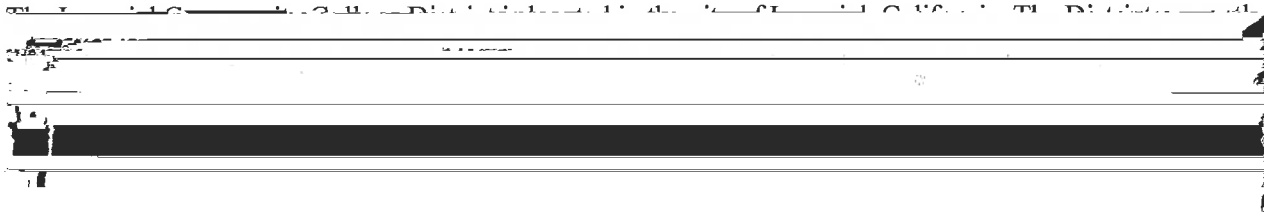
NOTE 24. SUBSEQUENT EVENTS (Continued)

At transition to Statement No. 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflow of resources related to pensions paragraph 137 of Statement No. 68 required that

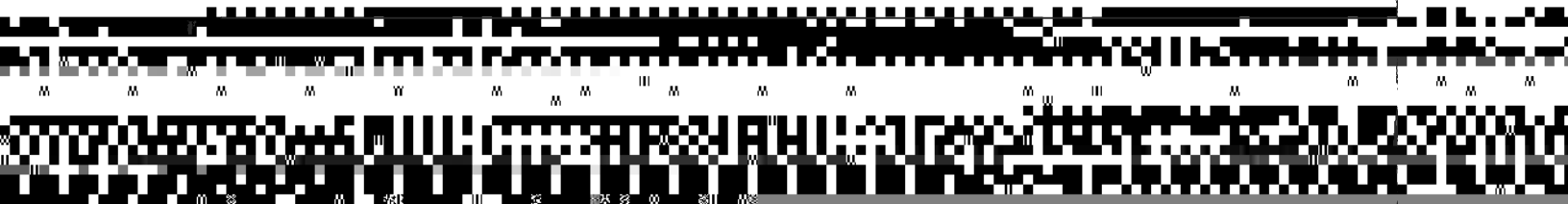
beginning balances for deferred outflows of resources and deferred inflows of resources not be

**REQUIRED SUPPLEMENTARY INFORMATION**

**IMPERIAL COMMUNITY COLLEGE DISTRICT  
ORGANIZATION  
JUNE 30, 2014**



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This section contains a table body that has been completely redacted with black bars. Only the faint outlines of the table structure are visible.



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**IMPERIAL COMMUNITY COLLEGE DISTRICT  
 SCHEDULE OF WORKLOAD MEASURES FOR STATE GENERAL APPORTIONMENT  
 ANNUALIZED ATTENDANCE AS OF JUNE 30, 2014**

<u>Categories</u>	<u>Reported And Audited Annual FTES</u>
A. Summer Intersession (Summer 2013 only)	
1. Noncredit	-
2. Credit	377.85
<hr/>	
B. [REDACTED]	
<hr/>	
C. [REDACTED]	
<hr/>	
[REDACTED]	
<hr/>	
[REDACTED]	
<hr/>	
[REDACTED]	
<hr/>	
1. Noncredit	
2. Credit	322.70
Primary Terms (Exclusive of Summer Intersession)	
<hr/>	
1. Census Procedure Courses	
(a) Weekly Census Contact Hours	5,361.35
(b) Daily Census Contact Hours	188.88
2. Actual Hours of Attendance Procedure Courses	
(a) Noncredit	45.51
(b) Credit	171.76
3. Alternative Attendance Accounting Procedure	
(a) Weekly Census Procedure Courses	155.00
<hr/>	
[REDACTED]	
<hr/>	



**IMPERIAL COMMUNITY COLLEGE DISTRICT  
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT (CCFS-311)**

UNION BUDGET FINANCIAL STATEMENTS

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**IMPERIAL COMMUNITY COLLEGE DISTRICT  
RECONCILIATION OF EDUCATION PROTECTION ACCOUNT EXPENDITURES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Activity Classification	Object Code		Total
EPA Proceeds	8630		\$ 5,251,171

Activity Classification	Object Code	Salaries and Benefits (1000-3000)	Operating Expenses (4000-5000)	Capital Outlay (6000)	Total
Instructional Activities	0100-5900	\$ 5,251,171	\$		5,251,171

Total Expenditures for EPA \$ 5,251,171    \$    \$    \$ 5,251,171

Revenues Less Expenditures \$



IMPERIAL COMMUNITY COLLEGE DISTRICT  
NOTES TO SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 1 – PURPOSE OF SCHEDULES

A. Schedule of Expenditures of Federal Awards

OMB Circular A-133 *Audits of States, Local Governments and Non-Profit Organizations*, requires a disclosure of the financial activities of all federally funded programs. This schedule was prepared to comply with OMB Circular A-133 and state requirements.

The table content is completely obscured by black redaction bars. Only a few faint lines of text are visible at the top of the table area, which appear to be the header information for the Schedule of Expenditures of Federal Awards, such as the title and possibly the fiscal year.

**IMPERIAL COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FUNDING PROGRESS-BENEFITS PLAN  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Actuarial	Value of	Liability (AAL)	AAL	Funded	Covered	Percentage of
	\$	\$ 33,206,084	\$ 33,206,084	\$		
	\$	\$ 33,206,084	\$ 33,206,084	\$		
	\$	\$ 33,206,084	\$ 33,206,084	\$		
	\$	\$ 33,550,446	\$ 33,550,446	\$		
	\$	\$	\$ 33,550,446	\$		

Date	(a)	(b)	(b-a)	(a/b)	(c)	(b-a)/c
11/01/08					\$ 31,122,727	100%
11/01/08					\$ 30,896,889	100%
11/01/08					\$ 28,951,291	100%
12/08/11					\$ 27,308,903	100%
12/08/11		33,550,446			\$ 25,885,437	100%
09/01/13		38,93 ,924			\$ 29,231,921	100%



**OTHER INDEPENDENT AUDITOR'S REPORTS**

**WILKINSON HADLEY  
KING & CO. LLP**  
CPAs AND ADVISORS

P. Robert Wilkinson, CPA  
Brian K. Hadley, CPA  
Natalie C. Azzam, CPA

Aubrey W. King, CPA  
Richard K. Savage, CPA

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL**

**REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN**

[REDACTED]

**AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE**

**WITH CERTAIN MODIFICATIONS ARISING FROM A DISC**

[REDACTED]

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Wilkinson Hadley King & Co., LLP*

El Cajon, California  
December 29, 2014

WILKINSON HADLEY  
KING & CO. LLP  
CPAs AND ADVISORS

CPA

[REDACTED]

[REDACTED]

Board of Trustees  
Imperial Community College District  
Imperial, California

We have audited the financial statements of the business type activities and the discretely presented component

Natalie C. Azzam, CPA

[REDACTED]

In our opinion, Imperial Community College District complied in all material respects, with the compliance requirements referred to above that are applicable to the statutory requirements listed for the year ended June 30, 2014.

This report is intended solely for the information and use of the District's management, the Board of Trustees, others within the District, the California Community College Chancellor's Office, the California Department of Finance, and the California Department of Education and is not intended to be and should not be used by anyone other than those specified parties.

*Wilkinson Bradley King & Co., LLP*

El Cajon, California  
December 29, 2014

# WILKINSON HADLEY KING & CO LLP

Robert Wilkinson, CPA

Aubrey W. King, CPA

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Brian K. Hadley, CPA  
Natalie C. Azzam, CPA

CPAS AND ADVISORS

Richard K. Savage, CPA

**Imperial Community College District  
Imperial, California**

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

Imperial Community College District's compliance with the terms of compliance

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## Report on Internal Control Over Compliance

Management of Imperial Community College District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Imperial Community College District's internal control

[REDACTED]

over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose

[REDACTED]

## FINDINGS AND RECOMMENDATIONS



**IMPERIAL COMMUNITY COLLEGE DISTRICT**  
**REPORT OF AUDIT FINDINGS AND QUESTIONED COSTS**

Internal control over financial reporting:

Material weaknesses identified? **YEAR ENDED JUNE 30, 2014** No  
Reportable conditions identified not

**Section I-Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued: **Unmodified**

*Federal Awards*

**IMPERIAL COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2014  
(Continued)**

**Section II - Financial Statement Findings**

No matters reported.

**Section III – Federal Award Findings and Questioned Costs**

No matters reported.

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

No matters reported.

IMPERIAL COMMUNITY COLLEGE DISTRICT  
STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS  
JUNE 30, 2014

Management's Explanation

[REDACTED]

EOPS and CARE Programs

The CARE Advisory Committee did not meet twice during the academic year as required in the state

[REDACTED]