



# *Single Audit*



COLLIN COUNTY COMMUNITY COLLEGE DISTRICT



717 North Harwood Street  
Suite 3100  
Dallas, TX 75201-6585

**Report on Compliance and on Internal Control Over  
Financial Reporting Based on an Audit of Basic Financial Statements  
Performed in Accordance With *Government Auditing Standards***

To the Board of Trustees  
Collin County Community College District:

We have audited the basic financial statements of Collin County Community College District (the District) as of and for the years ended August 31, 2003 and 2002, and have issued our report thereon dated November 14, 2003. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all matters in internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the board of trustees, management and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

**KPMG LLP**

November 14, 2003



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717 North Harwood Street  
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**Report on Compliance With Requirements Applicable to Each Major  
Program and on Internal Control Over Compliance in Accordance With  
OMB Circular A-133 and the State of Texas Single Audit Circular**

The Board of Trustees  
Collin County Community College District:

**Compliance**

We have audited the compliance of Collin County Community College District (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the State of Texas Single Audit Circular that are applicable to each of its major federal and state programs for the year ended August 31, 2003. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal and state programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the State of Texas Single Audit Circular. Those standards, the OMB Circular A-133, and the State Single Audit Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended August 31, 2003.



### **Internal Control Over Compliance**

The management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the State of Texas Single Audit Circular.

Our consideration of internal control over compliance would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal and state program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the board of trustees, management, federal and state awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

**KPMG LLP**

November 14, 2003

**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT****Schedule of Expenditures of Federal Awards  
For the year ended August 31, 2003**

<u>Federal grantor/pass-through grantor/ program title</u>	<u>Federal CFDA number</u>	<u>Pass-through grantor's number</u>	<u>Disbursements/ expenses</u>
U.S. Department of Education:			
Direct programs:			
Federal SEOG 02/03	84.007	N/A	\$ 167,395
Federal Work Study 01/02	84.033	N/A	13,154
Federal Work study 02/03	84.033	N/A	133,774
Total Federal Work Study			<u>146,928</u>
Federal Pell grant 02/03	84.063	N/A	3,389,608
Teacher's Technology 01/03	84.342A	N/A	173,213
Passed Through From:			
Texas Higher Education Coordinating Board			
Carl Perkins Voc. Ed. - Annual Application 02/03	84.048	34213	115,182
Dallas County Community College:			
Computer/Internet Security Curriculum	84.048	31403	11,400
Total Vocation Education - Basic Grants			<u>126,582</u>
University of Arkansas-Little Rock			
RSA Region VI Interpreter Education Project	84.160A	H160A000003-02	150
Texas Higher Education Coordinating Board			
Carl Perkins Voc. Ed. - Tech-Prep 02/03	84.243	31706	297,909
Northeast Texas Community College:			
Academy for Part-time Teachers	84.243	31104	17,855
Total Tech-Prep Education			<u>315,764</u>
Total U.S. Department of Education			<u>4,319,640</u>
National Science Foundation:			
Advancing Careers in Technology and Science	47.076	DUE-9950025	30,222
North Texas Regional Technology Center	47.076	DUE-0202408	215,606
Total National Science Foundation			<u>245,828</u>
U.S. Small Business Administration:			
Pass-Through From:			
Dallas County Community College District:			
Small Business Development Center 01/02	59.037	2-7620-0046-16	5,877
Small Business Development Center 02/03	59.037	3-603001-Z0046-17	64,116
Total U.S. Small Business Administration			<u>69,993</u>
Total Federal Awards			<u>\$ 4,635,461</u>

Notes to Schedule on Following Page

# **COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**

## **Notes to Schedule of Expenditures of Federal Awards For the year ended August 31, 2003**

### Note 1: State Assistance Reconciliation

Federal revenues:	
Federal grants and contracts revenue	\$4,405,559
Federal work study	120,175
Indirect/administrative costs recoveries	20,456
Add: cost of capital asset acquisitions	0
Add: general services surplus property acquisitions	0
Total federal revenues per Basic Financial Statements	<u>4,546,190</u>
Reconciling item:	
Add:	
Funds passed through to others	<u>89,271</u>
Total federal revenues per Schedule of Expenditures of Federal Awards	<u><u>\$4,635,461</u></u>

### Note 2: Significant accounting policies used in preparing the schedule

The accompanying schedule is presented using the accrual basis of accounting. The expenditures included in the schedule are reported for the college's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. The expenditures reported above represent funds which have been expended by the college for the purposes of the award. The expenditures reported above may not have been reimbursed by the funding agencies as of the end of the fiscal year. Some amounts reported in the schedule may differ from amounts used in the preparation of the basic financial statements. Separate accounts are maintained for the different awards to aid in the observance of limitations and restrictions imposed by the funding agencies. The District has followed all applicable guidelines issued by various entities in the preparation of the schedule. All federal funding is included in this schedule.

### Note 3: Student Loans Processed and Administrative Costs Recovered - if not included in schedule

Federal grantor CFDA number/program name	New loans processed	Administrative cost recovered	Total loans processed and admin. cost recovered
U.S. Department of Education			
84.032 Federal Stafford Loan Program	\$4,644,889	\$0	\$4,644,889
84.032 Federal PLUS Loan Program	18,195	0	18,195
Total U.S. Department of Education	<u>\$4,663,084</u>	<u>\$0</u>	<u>\$4,663,084</u>

### Note 4: Amounts passed-through by the District

The following amounts were passed-through to the listed subrecipients by the District. These amounts were from the Education and Human Resources Program CFDA 47.076 from the National Science Foundation:

North Central Texas College	\$36,769
University of North Texas	947
Richland College	11,620
Total amount passed-through	<u>\$49,336</u>

The following amounts were passed-through to the listed subrecipients by the District. These amounts were from the Tech Prep Program CFDA 84.243 passed through by the Texas Higher Education Coordinating Board:

Anna Independent School District	\$1,189
Blue Ridge Independent School District	2,977
Caddo Mills Independent School District	1,004
Celina Independent School District	367
Commerce Independent School District	2,398
Total	<u>\$7,935</u>

The following amount was passed-through to the listed subrecipient by the District. This amount was from the Preparing Tomorrow's Teachers to Use Technology program CFDA 84.342A from the U.S. Department of Education:

Plano Independent School District	<u>\$32,000</u>
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## Schedule D

**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT****Schedule of Expenditures of State Awards  
For the year ended August 31, 2003**

<u>Grantor/pass-through grantor/ program title</u>	<u>Grantor's number</u>	<u>Disbursements and expenses</u>
Texas Workforce Commission Collin County Job Training Consortium	0403SDF000	\$346,212
Texas Higher Education Coordinating Board		
Texas Grant II Renewal 02/03	13099	6,350
Texas Grant II 02/03	13099	7,620
Texas Grant Program 02/03 Renewal Awards	13099	30,963
Texas Grant Program 02/03 New Awards	13099	61,595
College for All Texans GO Conference	Prog 047	1,600
Total Texas Higher Education Coordinating Board		<u>108,128</u>
Passed through from:		
Dallas County Community College District		
Small Business Development Center 01/02	2-7620-0046-15	2,611
Small Business Development Center 02/03	3-603001-Z0046-17	28,784
Total Small Business Development Center		<u>31,395</u>
Telecommunications Infrastructure Fund Board		
Distance Learning HE4 Grant	QE-2002-HE4C-7285	227,286
Discovery Grant	QE-2001-D14C-5080	281,476
Library Grant	QE-2001-LTA6C-5339	53,126
Distance Learning Grant	QE-2001-HTA2S-5413	112,876
Total Telecommunications Infrastructure Fund Board		<u>674,764</u>
Passed through From:		
Texas Tech University		
Texas Campus Compact GO Campaign	I40I/A627-01	1,000
<b>Texas State Awards</b>		<u><u>\$1,161,499</u></u>

Notes to Schedule on Following Page

# **COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**

## **Notes to Schedule of Expenditures of State Awards For the year ended August 31, 2003**

### **Note 1: State Assistance Reconciliation**

State Revenues - per Schedule of Expenditures of State Awards	
Per Schedule of Expenditures of State Awards	\$1,161,499
Reconciling item:	
Funds passed through to others	(90,622)
Deferred revenue for Collin County Job Training Consortium	<u>33,620</u>
Total state revenues per Basic Financial Statements.	<u><u>\$1,104,497</u></u>

### **Note 2: Significant accounting policies used in preparing the schedule.**

The accompanying schedule is presented using the accrual basis of accounting. These expenditures are reported on the Collin County Community College's fiscal year. Expenditure reports to funding agencies are prepared on the award period basis. All state funding is included in this schedule.



**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**

Schedule of Findings and Questioned Costs

Year ended August 31, 2003

**I. Summary of Auditor's Results:**

**Financial Statements**

1. Type of auditor's report issued on the financial statements: Unqualified
2. Internal control over financial reporting:
  - Material weakness(es) identified? ☐ yes ☒ no
  - Reportable condition(s) identified that are not considered to be material weaknesses? ☐ yes ☒ none reported
3. Noncompliance which is material to the financial statements noted? ☐ yes ☒ no

**Federal Awards**

4. Internal controls over major program:
  - Material weakness(es) identified? ☐ yes ☒ no
  - Reportable condition(s) identified that are not considered to be material weakness(es)? ☐ yes ☒ none reported
5. Type of auditor's report on compliance for major program: Unqualified
6. Did the audit disclose findings, which are required to be reported under Sec. \_\_510(a) of OMB Circular A-133: No
7. Major federal programs include:

	<u>CFDA #</u>
Student Financial Assistance Cluster:	
Federal Supplemental Educational Opportunity Grants	84.007
Federal Stafford Loan Program	84.032
Federal Plus Loan Program	84.032
Federal Work-Study Program	84.033
Federal Pell Grant Program	84.063
Carl Perkins VDC ED Tech-Prep 02/03	84.243
Academy for Part time Teachers	84.243

8. Dollar threshold used to distinguish between federal Type A and Type B programs: \$300,000
9. Low-risk auditee: Yes

**COLLIN COUNTY COMMUNITY COLLEGE DISTRICT**

**Schedule of Findings and Questioned Costs**

Year ended August 31, 2003

**State Awards**

10. Internal controls over major program:

- Material weakness(es) identified? ☐ yes ☒ no
- Reportable condition(s) identified that are not considered to be material weakness(es)? ☐ yes ☒ none reported

11. Type of auditor's report on compliance for major program: Unqualified

12. Did the audit disclose findings which are required to be reported in accordance with the State of Texas Single Audit Singular: No

13. Major state program:

	<u>Program</u>
Texas Workforce Commission	0403SDF000
Discovery Grant	QE-2001-D14C-5080

14. Dollar threshold used to distinguish between state Type A and Type B programs: \$300,000

15. Low-risk auditee: Yes

**II. Findings Related to the Basic Financial Statements**

None

**III. Findings and Questioned Costs relating to Federal and State Awards**

None





COLLIN  
COUNTY  
COMMUNITY  
COLLEGE  
DISTRICT

Central Park Campus  
2200 West University Drive  
P.O. Box 8001  
McKinney, Texas 75070-8001

Courtyard Center for Professional  
and Economic Development  
4800 Preston Park Boulevard  
P.O. Box 869055  
Plano, Texas 75086-9055

Preston Ridge Campus  
9700 Wade Boulevard  
Frisco, Texas 75035

Spring Creek Campus  
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