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INDEPENDENT STATE AUDITOR'S REPORT ON
CERTAIN ACTIVITIES OF
QUINSIGAMOND COMMUNITY COLLEGE
JULY 1, 2006 TO JUNE 30, 2007

OFFICIAL AUDIT
REPORT
APRIL 3, 2008

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INTRODUCTION

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Quinsigamond Community College (QCC) is authorized by Chapter 15A, Section 5, of the Massachusetts General Laws and operates under the oversight of the Board of Higher Education. A Board of Trustees appointed by the Governor of the Commonwealth controls its operations, and QCC's President is responsible for implementing the policies set by the Board of Trustees, in accordance with the policies and guidelines established by the Board of Higher Education.

We have conducted a review of QCC's federal student financial assistance programs funded through the United States Department of Education (DOE) for the period July 1, 2006 through June 30, 2007. Our review was conducted in conjunction with the Single Audit of the Commonwealth for the fiscal year ended June 30, 2007.

Our review disclosed that QCC had adequate internal controls in place and complied with the requirements of the United States DOE; OMB Circular A-133 and the Compliance Supplement; and all applicable laws, rules, and regulations for the areas tested.

INTRODUCTION

Background

Quinsigamond Community College (QCC) is part of the system of public institutions of higher education as promulgated by Chapter 15A, Section 5, of the Massachusetts General Laws. A Board of Trustees appointed by the Governor, which establishes the college's administrative policies, governs QCC. QCC's President is responsible for implementing the policies set by the Board of Trustees, in accordance with the policies and guidelines established by the Board of Higher Education.

Audit Scope, Objectives, and Methodology

In accordance with Chapter 11, Section 12, of the General Laws, we conducted a review of QCC's federal student financial assistance programs funded through the United States Department of Education (DOE) for the period July 1, 2006 through June 30, 2007. We conducted our review in conjunction with the Single Audit of the Commonwealth of Massachusetts for the fiscal year ended June 30, 2007. The Commonwealth's Fiscal Year 2007 Single Audit Report consists of the following volumes:

- Statutory Basis Financial Report
- Comprehensive Annual Financial Report
- Reports on Compliance and Internal Controls in Accordance with Governmental Auditing Standards and Requirements of the Office of Management and Budget (OMB) Circular A-133, and the Schedule of Expenditures of Federal Awards

Our review was conducted in accordance with applicable generally accepted government auditing standards set forth in OMB Circular A-133, revised June 27, 2003, and the American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide, Audits of State and Local Governments. Additionally, our review evaluated QCC's compliance with Office of the State Comptroller (OSC) policies and procedures; Massachusetts General Laws; and other applicable laws, rules, and regulations.

In performing our review of QCC's activities, we referred to OMB Circular A-133, March 2007 Compliance Supplement, to determine the compliance requirements that must be considered in an audit conducted under OMB Circular A-133. Based upon our review, we determined specific

requirements applicable to the federal student financial assistance programs, and designed appropriate tests to determine QCC's compliance with those requirements. Specifically, our objectives were to:

- Assess the internal controls in place at QCC during our review period; and
- Assess and evaluate the programs for compliance with the requirements of the Compliance Supplement, DOE, and OSC.
- Follow up on prior audit results, if any, to determine what corrective action has been taken.

The criteria for our review were drawn from OMB Circular A-133, the Code of Federal Regulations, and the OSC's Internal Control Guide. Those criteria dealt with QCC's responsibility for the administration and operation of the federal student financial assistance programs and for compliance with the laws and regulations governing:

Activities Allowed or Unallowed
Cash Management
Eligibility
Matching, Level of Effort, and Earmarking
Period of Availability of Federal Funds
Program Income
Reporting
Special Tests and Provisions

We examined, on a test basis, evidence regarding QCC's compliance with the applicable requirements and performed other procedures as we considered necessary. Based on these tests, we concluded that QCC had adequate internal controls in place, and complied with the requirements of the United States DOE, OMB Circular A-133 and the Compliance Supplement, and other applicable laws, rules, and regulations, for the areas tested.