

1. Education Code Section 84040 requires the Governing Board of each community college district to provide for an annual audit of the books and accounts of the district. The audit must be made by a certified public accountant or a public accountant licensed by the State Board of Accountancy and be performed in accordance with Department of Finance publication, Standards and Procedures for Audits of California Local Educational Agencies. A verification of compliance with Education Code and Title V attendance accounting regulations is included in the scope of the audit. It is the responsibility of the Chancellor (of the California Community Colleges) to make any adjustments in apportionment of state funds to correct any discrepancies revealed by the annual audit.
2. Each district governing board is required to adopt procedures for course enrollment, attendance, and student withdrawal documentation including rules for retention of support documentation which would enable independent determination regarding accuracy of data submitted by the district as a basis for state support. Adopted procedures shall be so structured as to provide for internal controls.
3. Suggested information to supplement the documentation of each course as described below should include, but is not limited to, the following:
  - Signature of the instructor on all primary attendance accounting documents as a certification of a true and accurate accounting.
  - A statement of residency for each student, as appropriate.
  - Any pertinent information concerning courses which have atypical characteristics relative to the contact hours claimed.
4. Each community college district shall maintain an official procedure to ensure compliance with Chapter 1 (commencing with Section 58000) of Division 9 of Part VI of Title V of the California Administrative Code:
  - a. Census day (See Chapter 1)
  - b. Drop date
  - c. Inactive enrollment in a course is defined as follows:
    - 1) As of each census day: any student who, according to published college regulations have:
      - a) been identified as a ©no show,<sup>a</sup> or
      - b) officially ©withdrawn<sup>a</sup> from course, or
      - c) been ©dropped<sup>a</sup> from course. A student shall be dropped if no longer participating in the course, except if there are extenuating circumstances. Definitions of non-participation shall include, but not be limited to, excessive unexcused absences as specified in procedures adopted by each local governing board pursuant to Title V, Section 58030.
  - d. For purposes of Education Code Section 84522, ©extenuating circumstances<sup>a</sup> are verified cases of accidents, illness, or other circumstances beyond the control of the student.
  - e. Minimum requirements of the procedure adopted by the local governing board pursuant to Title V Section 58030 for adds and drops shall be:
    - 1) Identification of student by name and number
    - 2) Type and date of transaction
    - 3) Documentation of origin of transaction by means of:

- a) Signature of student by name and number
- b) Signature of initials of instructor or other authorized person, or
- c) Other record identifying originator of transaction.