



# Laney College

900 Fallon Street · Oakland, California 94607 · (510) 834-5740

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March 13, 2010

Dr. Barbara Beno, President  
Accrediting Commission for Community and Junior Colleges  
10 Commercial Blvd., Suite 204  
Novato, CA 94949

Dear Dr. Beno:

Re: Laney College Accreditation Follow-up Report submitted March 15, 2010

Please find enclosed the required March 15, 2010 Follow-Up report from Laney College.

The Commission and the visiting teams will notice that the cut-off date for writing the district response for each of the district-level recommendations was November 1, 2009. The cut-off date for writing the college response to these recommendations was the end of December 2009. Cut-off dates were set in order to allow for full vetting of the Follow-Up Report at the college and to allow for the time needed to forward the Follow-Up Report to the Peralta Community College Governing Board for review and acceptance.

One of the district recommendations addressed in the Follow-Up Report is “Financial Resources and Technology.” The purpose of this letter is to notify the Commission and the visiting teams that since the completion of the writing of the Follow-Up Report, the Peralta Community College District administration, at the direction of the Chancellor, has taken action to help address the issues identified in the “Financial Resources and Technology” recommendation by hiring a fiscal advisor for the Peralta Community College District. (PCCD)

At the direction of the Chancellor, the district has hired Thomas E. Henry, President/CEO of the Education Management and Assistance Corporation, to assist the district in reviewing the financial enterprise management system and to provide specific corrective action to assure that the system can be fully functional. Mr. Henry is serving as the fiscal advisor for the Peralta Community College District and is assisting in addressing the external audit findings and other fiscal stability concerns. Mr. Henry has established a “Recovery Team” consisting of outside fiscal experts. That team includes EdMAC specialists, a FCMAT specialist, a specialist from the State Chancellor’s Office for California Community Colleges, an Inter-Jurisdictional Exchange specialist from the Los Rios Community College District (a CPA and knowledgeable about successful implementation of the PeopleSoft Financial Management System), and other team members who have assisted Mr. Henry in his work at other California community colleges. Mr. Henry has also assigned PCCD employees to various tasks relative to recovery. Mr. Henry meets with the Team on a weekly basis to track progress and status.

**Peralta Community College District**

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Further, the Peralta Community College District now has three CIBER consultants/programmers to assist in fixing the PeopleSoft financial system and responding to the audit findings. One CIBER programmer is working with the district Office of Finance in having the Financials system ready for the external auditors; is providing the external auditors with schedules for Fixed Assets and Construction in progress; is working with a second CIBER programmer on student financials; and is working to identify ways to improve the financial system (general ledger, accounts payable, purchasing, and fixed assets). A second CIBER programmer is working with the district Office of Finance personnel to review, validate, and update (where necessary) the set up and configuration in the Student Financials System. The second CIBER programmer also is performing background processes in the Student Financials System in order to update the data and create accounting lines for sending to the general ledger; and is troubleshooting, testing, and providing support where necessary to enable end users to utilize the Student Financial System properly and efficiently. A third CIBER programmer is working with the other two CIBER programmers and Peralta IT staff to assist with technical help in the overall Financial System and in particular the Student Financials module.

The Governing Board for the Peralta Community College District has placed the Vice Chancellor of Finance and Administration and the Assistant Vice Chancellor of Finance on administrative leave. The Governing Board has directed the Chancellor to begin the process for hiring a new Vice Chancellor of Budget and Finance and potentially to have an interim appointment prior to hiring a permanent Vice Chancellor.

On February 10, 2010, Mr. Tom Henry brought his team together with key individuals from the Peralta Community College District to address the various functions within the Financial Management System. The end result was the establishment of a Functional Team for each of the financial functions and the appointment of a Functional Lead for each of the teams in order to ensure accountability. This action speaks to appropriate oversight and monitoring needed to make the PeopleSoft system fully functional and to appropriately and completely address the findings from the external independent financial audit report. In addition to addressing the financial functions, the current focus is on the following items: closure of financials, response to the 2008-2009 independent/external financial audit, submission of federal/state reports, development of the 2010-2011 budget, addressing the 2007-2008 financial audit exceptions, processing timely and accurate reports from the PeopleSoft financial management system, and ultimately addressing the required ACCJC reports. In this process, there are current system "fixes" which are occurring, a procedures manual will eventually be established, cross-training will have to occur, communication to the end users will be fundamental, a complete configuration of the system will occur, there will be all appropriate testing of the configuration, and then a full implementation of the system which has not happened to date.

While the "fixing" the PeopleSoft Financial Management System will take time, the recent efforts demonstrate the commitment to resolving the issues and the willingness to have outside experts assist in the process. Further, it will be important for the visiting team to meet with Mr. Tom Henry and his team in order to get accurate and up-to-date information on how the Peralta Community College District is now moving forward to seriously address not only this ACCJC recommendation, but also to address the external audit findings and to have a system in place that will serve the district well in managing its finances.

Peralta Community College district administrators and staff and college administrators, faculty, and staff look forward to meeting with the visiting teams as a follow-up to the March 15, 2010 Follow-Up Report. It will be important to demonstrate to the teams the progress made to date in response to the recommendations.

Sincerely,

A handwritten signature in cursive script, appearing to read "Elñora".

Elñora T. Webb, Ph.D.  
Laney College