



James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

Community College League of California
Sacramento, California

We have recently completed the audit of the financial statements of the Community College League of California for the year ended June 30, 2019 and have issued our report thereon dated November 6, 2019. Subsequent to the issuance of these financial statements, management indicated that the grouping and classification of certain assets and liabilities in the audited financial statements do not match the grouping of accounts and classifications used for internal reporting purposes. These differences in grouping of accounts and classifications do not affect the net income, net assets, total assets or total liabilities of the organization. It is strictly a difference in the grouping of certain asset and liability accounts. The differences exist due to amounts grouped in the amounts held in the library consortium which were not part of the library consortium, but amounts held on behalf of others.

This difference in grouping and classification has existed for a number of years. Management has asked us to prepare a schedule showing the balance of certain accounts utilizing the League's account grouping for the years ended June 30, 2015, 2016, 2017, 2018 and 2019. These regrouped balances are shown in the attached schedule for each fiscal year.

In addition, prior to the fiscal year ended June 30, 2019, the League's investment balance was incorrectly labeled as "Investments held for future library consortium" in the audited financial statements. These were strictly the League's investments held in a Charles Schwab account.

This report is intended solely for the information and use of the Board of Directors, management, and others within the administration and is not intended to be and should not be used by anyone other than these specified parties.

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June 15, 2020

Attachment A

| | 2015 | | 2016 | | 2017 | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | Reported Per Audit | Balances Regrouped | Reported Per Audit | Balances Regrouped | Reported Per Audit | Balances Regrouped |
| ASSET ACCOUNTS | | | | | | |
| Cash and cash equivalents | \$ 2,399,978 | \$ 598,451 | \$ 2,813,544 | \$ 941,630 | \$ 3,385,975 | \$ 1,506,272 |
| Cash held for future library consortium | 429,940 | 1,030,193 | 1,037,815 | 1,379,056 | 1,189,061 | 1,237,567 |
| Cash held on behalf of others | 114,575 | 1,315,849 | 200,147 | 1,730,820 | 216,048 | 2,047,245 |
| Total | <u>\$ 2,944,493</u> | <u>\$ 2,944,493</u> | <u>\$ 4,051,506</u> | <u>\$ 4,051,506</u> | <u>\$ 4,791,084</u> | <u>\$ 4,791,084</u> |

LIABILITY ACCOUNTS

| | | | | | | |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Amounts held for future library consortium | \$ 2,231,467 | \$ 1,030,193 | \$ 2,909,729 | \$ 1,379,056 | \$ 3,068,764 | \$ 1,237,567 |
| Amounts held on behalf of others | 114,575 | 1,315,849 | 200,147 | 1,730,820 | 216,048 | 2,047,245 |
| Total | <u>\$ 2,346,042</u> | <u>\$ 2,346,042</u> | <u>\$ 3,109,876</u> | <u>\$ 3,109,876</u> | <u>\$ 3,284,812</u> | <u>\$ 3,284,812</u> |

| | 2018 | | 2019 | |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| | Reported Per Audit | Balances Regrouped | Reported Per Audit | Balances Regrouped |
| ASSET ACCOUNTS | | | | |
| Cash and cash equivalents | \$ 2,572,977 | \$ 1,139,765 | \$ 1,768,818 | \$ 1,768,818 |
| Cash held for future library consortium | 802,575 | 802,575 | 304,676 | 1,153,347 |
| Cash held on behalf of others | 617,900 | 2,051,112 | 3,675,252 | 2,826,581 |
| Total | <u>\$ 3,993,452</u> | <u>\$ 3,993,452</u> | <u>\$ 5,748,746</u> | <u>\$ 5,748,746</u> |

LIABILITY ACCOUNTS

| | | | | |
|--|---------------------|---------------------|---------------------|---------------------|
| Amounts held for future library consortium | \$ 2,235,787 | \$ 802,575 | \$ 304,676 | \$ 1,153,347 |
| Amounts held on behalf of others | 617,900 | 2,051,112 | 3,675,252 | 2,826,581 |
| Total | <u>\$ 2,853,687</u> | <u>\$ 2,853,687</u> | <u>\$ 3,979,928</u> | <u>\$ 3,979,928</u> |