



ACCREDITING COMMISSION FOR  
COMMUNITY AND JUNIOR COLLEGES  
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**2021 Annual Fiscal Report**  
**Pacific Islands, Public Institutions**  
Reporting Year: Most recent fiscal year ending 12/31/2020 or prior  
**Final Submission**  
05/25/2021

American Samoa Community College  
P.O. Box 2609  
Pago Pago, American Samoa 96799

**General Information**

#	Question	Answer
1.	Confirm College Information	<b>Confirmed</b>
2.	System Organization name	<b>American Samoa Community College</b>
<b>2. Additional Information:</b> "System Organization" refers to the entity that files financial statements, state and federal reports; allocates funds to the accredited college; is audited by outside auditors; and is ultimately responsible for the fiscal viability of the accredited college. In the case of the PII colleges, the System Organization is either a university or a government entity.		
3.	Contact information for Chief Business Officers	
	a. Name of College Chief Business Officer (CBO)	<b>Elsie Lesa</b>
	b. Title of College CBO	<b>Financial Officer</b>
	c. Phone number of College CBO	<b>(684) 699-9155, ext. 308</b>
	d. E-mail of College CBO	<b>e.lesa@amsamoa.edu</b>
	e. Name of System Organization CBO if different than the College CBO	<b>N/A</b>
	f. Title of System Organization CBO if different than the College CBO	<b>N/A</b>
	g. Phone number of System Organization CBO	<b>N/A</b>
h. E-mail of System Organization CBO	<b>N/A</b>	
<b>3. Additional Information:</b> h. This email will be used copied on the final report once it has been approved by the CEO.]		

**System Organization Data**

4.	System Organization fiscal year:	from first day of <b>October</b> to last day of <b>September</b>		
5.	a. Annual General Fund and Tuition & Fee Revenue	REPORT-2	REPORT-1	REPORT
		<b>\$ 6,979,417</b>	<b>\$ 8,100,340</b>	<b>\$ 7,683,652</b>
	b. Revenue from other unrestricted sources (non-General Fund)			
		<b>\$ 5,625,314</b>	<b>\$ 4,683,764</b>	<b>\$ 5,067,009</b>
	i. Describe primary source of Revenue listed in 5.b. (foundation, rents, transfers in from other funds, etc.)			
	Year	Description	Amount	Sustainable/One-time
	REPORT-2	<b>Federal Grant Revenue</b>	<b>\$ 5,625,314</b>	<b>Sustainable</b>
	REPORT-2			
	REPORT-1	<b>Federal Grant Revenue</b>	<b>\$ 4,683,764</b>	<b>Sustainable</b>
	REPORT-1			
	REPORT	<b>Federal Grant Revenue</b>	<b>\$ 5,067,009</b>	<b>Sustainable</b>

	<b>REPORT</b>		
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**5. Additional Information:**  
 (headings) In this report, the terms "REPORT", "REPORT-1" and "REPORT-2" refer to the most recently completed fiscal year prior to 12/31/2020 and the two previous years.

a. The "General Fund" is the general operating fund or account that is not subject to specific restrictions from the funding sources; it usually contains the salary and benefit costs for the vast majority of college employees; the CEO/CFO/CBO usually can move available budgeted funds among the expenditure accounts without governing entity priority approval

b. These revenues could include donations, facilities rental, concert receipts and other college-generated revenue that is available to fund operations.

		REPORT-2	REPORT-1	REPORT
6.	a. Net Beginning Balance available to fund operations	\$ -2,928,567	\$ -5,780,426	\$ -6,331,803
	b. Net end of the year Operational Balance (unspent and uncommitted funds)	\$ -6,273,457	\$ -5,607,238	\$ -7,638,662

**6. Additional Information:**  
 (headings) In this report, the terms "REPORT", "REPORT-1" and "REPORT-2" refer to the most recently completed fiscal year prior to 12/31/2020 and the two previous years.

"Beginning Balance" refers to any funds carried over from the previous fiscal year, or other funds that will be available in addition to the Annual Operating Revenue of Allocated Budget in 5a. For example, in some organizations budgeted funds are funds that had been allocated to the college in the prior year but which were not expended are added to the college's next year's available funds or allocated budget.

**Annual Operating Expenditures**

		REPORT-2	REPORT-1	REPORT
7.	a. Total Operating Expenditures	\$ 7,795,040	\$ 7,984,224	\$ 8,117,191
	b. Total annual Operating Personnel Costs	\$ 6,147,354	\$ 6,312,319	\$ 6,446,451
	c. Other Operating Current Expenditures [Expenditures - Outgo (a - b)]	\$ 1,647,686	\$ 1,671,905	\$ 1,670,740

**7. Additional Information:**  
 (headings) In this report, the terms "REPORT", "REPORT-1" and "REPORT-2" refer to the most recently completed fiscal year prior to 12/31/2020 and the two previous years.

**Liabilities**

8.	Did the System Organization borrow funds for cash flow purposes?	No	No	No
9.	Total System Organization Borrowing\Debt	REPORT-2	REPORT-1	REPORT
	a. Short-Term Borrowing (less than one year)	\$ 0	\$ 0	\$ 0
	b. Long Term Borrowing	\$ 0	\$ 0	\$ 0
10.	a. Did the System Organization issue long-term debt instruments during the fiscal year noted?	No	No	No
	b. What type(s)	N/A	N/A	N/A
	c. Total amount	\$ 0	\$ 0	\$ 0
11.	Debt Service Payments (General Operating Fund)	REPORT-2	REPORT-1	REPORT
		\$ 0	\$ 0	\$ 0

**8. to 11. Additional Information:**  
 (headings) In this report, the terms "REPORT", "REPORT-1" and "REPORT-2" refer to the most recently completed fiscal year prior to 12/31/2020 and the two previous years.

**Cash Position**

		REPORT-2	REPORT-1	REPORT
12.				

System Organization end of fiscal year Cash Balance (unencumbered cash):	<b>\$ 929,390</b>	<b>\$ 815,916</b>	<b>\$ 986,311</b>
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**12. Additional Information:**  
 (headings) In this report, the terms "REPORT", "REPORT-1" and "REPORT-2" refer to the most recently completed fiscal year prior to 12/31/2020 and the two previous years.

13.	Does the system organization prepare multi-year cash flow projections during the year?	<b>Yes</b>
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**Annual Audit Information**

14.	Date annual audit report for the REPORT fiscal year was electronically submitted to accjc.org, along with the institution's response to any audit exceptions	<b>05/25/2021</b>
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**NOTE:** Audited financial statements are due to the ACCJC no later than the end of the 9th month following the close of the fiscal year. A multi-college organization may submit a single district audit report on behalf of all colleges in the organization that are accredited by the ACCJC.

	Summarize Material Weaknesses and Significant Deficiencies from annual audit report (enter n/a if not applicable):
REPORT-2	<p><b>Summary of 2 Findings:</b>                  (1) <b>Special Tests and Provisions: Auditors noted that the verification process for the Financial Aid Department was conducted incompletely . Of the 944 students receiving financial aid, the auditors tested 165 students file of which 89 were flagged for verification process and 2 of those student's verification process was not completed correctly.</b>                  (2) <b>Activities Allowed - Federal Work Study: The Auditors noted that the college is not in compliance with Federal Work Study allowability requirements. Of the 132 students awarded federal work study we tested 46 students of which only 2 had issues of working while they should have been in class.</b></p>
15.	<p><b>Summary of 8 Findings:</b>                  (1) <b>Material Weakness, Lack of adequate controls surrounding the capitalization of capital asset expenditures. The College expensed certain capital asset expenditures during 2018 that should have been capitalized. The cumulative effect to the financial statements was material, creating a prior period restatement. Approximately \$1.3 million was moved from expense to capital asset accounts, and an additional \$43 thousand was recorded in depreciation expense related to these assets.</b>                  (2) <b>Significant Deficiency, Lack of adequate controls surrounding the preparation of the Schedule of Expenditures of Federal Awards. The College lacked controls surrounding the preparation of the SEFA. Several errors in the SEFA were noted: The SEFA was prepared with incorrect CFDA numbers, incomplete descriptions, incomplete program names, and inaccurate expenditures. Pass through grant identifying numbers were also missing from the SEFA.</b>                  (3) <b>Special Tests and Provisions - Return of Title IV Funds, Significant Deficiency in Internal Control over Compliance. A sample of 10 students who were recipients of Title IV funding and had withdrawn during the year was selected from a population of 25. Student records were compared to the calculation of the return of Title IV funds. We noted there were inconsistencies within the calculations, creating variances between what was returned and what should have been returned. Additionally, the Title IV funds were not returned within the 45-day period as required. The Financial Aid office recalculated each of the R2T4 calculations for the entire population of both unofficial and official withdrawals during the award period 2018-2019 that were under the 60% attendance requirement. This resulted in 24 recalculations and a total net adjustment in the amount of \$7,371, which was returned to the ED subsequent to year end.</b>                  (4) <b>Enrollment Reporting, Significant Deficiency in Internal Control over Compliance. In our audit sample of 10 withdrawals and 10 graduated students, none had been reported timely. Subsequently, the withdrawn student status had been corrected for the sampled students, but not within the required timeframe. Our sample was selected using a random methodology, rather than a statistical sampling methodology.</b>                  (5) <b>Special Tests and Provisions - Gramm-Leach-Bliley Act - Student Information Security, Significant Deficiency in Internal Control over Compliance. A written risk assessment wasn't performed that addressed the three required areas noted in 6 CFR 314.4 (b), which are (1) Employee training and management; (2) Information systems, including network and software design, as well as information processing, storage, transmission and disposal; and (3) Detecting, preventing and responding to attacks, intrusions, or other systems failures.</b>                  (6) <b>Equipment and Real Property Management, Significant Deficiency in Internal Control over Compliance. During our testing of equipment and real property management, we noted that for all four items in our sample, an inventory of these items had not been performed in the prior two years. Our sample was selected using a random methodology, rather than a statistical sampling methodology.</b>                  (7) <b>Allowable Costs/Cost Principles, Significant Deficiency in Internal Control Over Compliance. During our testing of Allowable Costs/Cost Principles, we selected a sample of 25 items from a population of 361. Two of the 25 selections were for housing allowances, which is a part of faculty contracts in these cases. These costs are unallowable per Uniform Guidance without prior approval from the awarding agency, which was not obtained in advance.</b>                  (8) <b>Allowable Costs/Cost Principles, Significant Deficiency in Internal Control Over Compliance. During our testing of Allowable Costs/Cost Principles, we selected a sample of 26 items from a population of 13,564. Two of the 26 selections time and effort report did not represent the amount of expenditure allocated to the grant. These costs are unallowable based upon the Uniform Guidance, as the proportionate share of payroll costs should have been allocated based on the time and effort reports.</b></p>
	<p><b>Summary of 5 Findings:</b>                  (1) <b>Material Weakness, Lack of adequate controls surrounding the capitalization of capital asset expenditures. Certain capital assets were expensed during 2020 that should have been capitalized. Approximately \$392,000 was moved from expense to capital asset accounts and approximately</b></p>
	REPORT

**\$20,000** was recorded in depreciation expense related to these assets.

**(2) Material Weakness, Lack of adequate controls surrounding the preparation of the Schedule of Expenditures of Federal Awards.** The College lacked controls surrounding the preparation of the SEFA. Several errors in the SEFA were noted: The SEFA was prepared with incorrect CFDA numbers, incomplete descriptions, incomplete program names, a missing program, and inaccurate expenditures. Pass through grant identifying numbers were also missing from the SEFA. In addition, the College prepared the SEFA based upon the award year for student financial assistance, rather than the College's fiscal year

**(3) Special Tests and Provisions – Return of Title IV Funds Significant Deficiency in Internal Control over Compliance.** A sample of 23 students who were recipients of Title IV funding and had withdrawn during the year was selected. Student records were compared to the calculation of the return of Title IV funds. We noted there were inconsistencies within the calculations, creating variances between what was returned, and what should have been returned. Additionally, the Title IV funds were not returned within the 45-day period as required.

The Financial Aid office recalculated each of the R2T4 calculations for the entire population of both unofficial and official withdrawals during the award period 2019-2020, that were under the 60% attendance requirement. This resulted in 24 recalculations, and a total net adjustment in the amount of \$11,061, which was returned to the Department of Education subsequent to year end.

**(4) Enrollment Reporting, Significant Deficiency in Internal Control over Compliance.** The College determines how often it receives the Enrollment Reporting roster file with the default set at every 60 days. The College has engaged the National Student Clearinghouse's (NSC) services to assist with the reporting of student's status changes and degrees to the NSLDS. In our audit sample of 19 withdrawals and 8 graduated students, none had been reported timely. Subsequently, the withdrawn student status was corrected for the sampled students, but not within the required timeframe. Our sample was selected using a random sampling methodology, rather than a statistical sampling methodology.

**(5) Special Tests and Provisions – Gramm-Leach-Bliley Act – Student Information Security; Significant Deficiency in Internal Control over Compliance.** A written risk assessment wasn't performed that addressed the three required areas noted in 6 CFR 314.4 (b), which are (1) Employee training and management; (2) Information systems, including network and software design, as well as information processing, storage, transmission and disposal; and (3) Detecting, preventing and responding to attacks, intrusions, or other systems failures.

**15. Additional Information:**

(headings) In this report, the terms "REPORT", "REPORT-1" and "REPORT-2" refer to the most recently completed fiscal year prior to 12/31/2020 and the two previous years.

**Other Information**

		REPORT-2	REPORT-1	REPORT
16.	a. Budgeted or Planned Students	996	878	830
	b. Actual Students	895	830	823

**16. Additional Information:**

Student count at System Organization level as defined in the Self-Study; headcount, full-time, full-time equivalent, etc.

17.	a. During the reporting period, did the College or System Organization settle any contracts with employee bargaining units?	No
	b. Did any negotiations remain open?	No
	c. Describe significant fiscal impacts:	

**College Data**

COLLEGE DATA (for a single college the same answers as in the above System Organization sections )				
		REPORT-2	REPORT-1	REPORT
18.	a. College Budgeted or Planned number of Students	996	878	830
	b. College Actual number of Students	895	830	823

**18. Additional Information:**

Student counts as defined in the College's Self-Study; headcount, full-time, full-time equivalent, etc.

		REPORT-2	REPORT-1	REPORT
19.	a. Unrestricted budget or operating resources allocated to the College by the System Organization	\$ 6,979,417	\$ 8,100,340	\$ 7,683,652
	b. College end of fiscal year Unrestricted Cash Balance (unencumbered cash)	\$ 929,390	\$ 815,196	\$ 986,311

		REPORT-2	REPORT-1	REPORT
20.	At the end of the fiscal year what was the amount, if any, of general fund or operating budget allocation that was unspent by the College?	\$ -6,273,457	\$ -5,607,238	\$ -7,638,662
<p><b>18. to 20. Additional Information:</b>                  (headings) In this report, the terms "REPORT", "REPORT-1" and "REPORT-2" refer to the most recently completed fiscal year prior to 12/31/2020 and the two previous years.</p>				
21.	What percentage of any ending fund balance or allocation does the System Organization allow the College to carry-over into the following fiscal year?	0 %		
22.	USDE official cohort Student Loan Default Rate (FSLD) (Cohort 3-year rate) [if not applicable, put n/a]	Most Recent Year-2 0 %	Most Recent Year-1 0 %	Most Recent Year 0 %
23.	College Data: Were there any executive or senior administration leadership changes at the institution during the fiscal year? Please describe the leadership change(s)	No		
<p><b>23. Additional Information:</b>                  Senior administrative leadership generally includes the Chief Executive Officer (CEO) of the college and any administrators who report to that position and/or sit on the CEO's cabinet or executive committee. 'Senior executive leadership' always includes the chief business official, chief financial officer of the college.</p>				

The data included in this report are certified as a complete and accurate representation of the reporting institution.

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