



Michigan  
*Office of the Auditor General*  
**REPORT SUMMARY**

*Performance Audit*  
*Selected Community Colleges' Reporting of*  
*Activities Classification Structure Data*

Report Number:  
 45-500-03

Released:  
 May 2003

*The activities classification structure (ACS) was developed in response to Section 8, Act 419, P.A. 1978. Also, uniform data reporting requirements were developed for use in making State budget and appropriation decisions. Act 117, P.A. 1984, provided for a funding formula to be used to determine State aid for each community college based on ACS data. The Michigan Department of Career Development (MDCD) is responsible for the collection and analysis of certain ACS data.*

***Audit Purpose:***

This performance audit was conducted as part of the constitutional responsibility of the Office of the Auditor General and was mandated by Act 161, P.A. 2002, the annual appropriations act for community colleges.

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***Audit Objective:***

To assess whether colleges reported ACS data to MDCD on the ACS forms in accordance with the provisions of the annual appropriations act for community colleges (Act 52, P.A. 2001), the ACS Manual for Michigan Community Colleges, the Manual for Uniform Financial Reporting of Michigan Public Community Colleges (MUFR), and MDCD's annual instructions.

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***Audit Conclusion:***

We concluded that the selected community colleges generally reported ACS data to MDCD on the ACS forms in accordance with the provisions of the annual

appropriations act for community colleges (Act 52, P.A. 2001), the ACS Manual for Michigan Community Colleges, MUFR, and MDCD's annual instructions. However, we did identify reportable conditions relating to the calculation of the count date for credit hours, contact hours, and student headcount; student course enrollment data reporting; contact hour computations and reporting; instructional minutes computation; cost allocations and expenditure reporting; and property tax data (Findings 1 through 6).

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***Agency Responses:***

Our audit includes 6 findings and recommendations. We discussed our audit findings, along with the other reporting exceptions presented as supplemental information, with the management of each community college. The colleges' responses indicated general concurrence with our findings.

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A copy of the full report can be  
obtained by calling 517.334.8050  
or by visiting our Web site at:  
[www.state.mi.us/audgen/](http://www.state.mi.us/audgen/)



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