

Preliminary and Tentative

Memorandum of Advisory Comments

**Dallas County Community College District**

August 31, 2006

Preliminary and Tentative

November 29, 2006

Board of Trustees  
Dallas County Community College District

In planning and performing our audit of the financial statements of Dallas County Community College District (the District) as of and for the year ended August 31, 2006, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control.

During our current year audit, we did not become aware of any matters that are opportunities for strengthening internal control and operating efficiency. However, the table that accompanies this letter indicates the current status of certain matters noted during our prior year audit. The status of these matters are as of November 29, 2006, and we have not updated our procedures regarding these matters since that date to the current date.

We have previously discussed our observations and suggestions with various District personnel and would be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations, to the extent our independence is not impaired. This memorandum is intended solely for the information and use of the Board of Trustees, Audit Committee, and District management and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

**PRIOR YEAR COMMENTS**

The following status of implementation is based on discussions with management and limited review of implementation.

Status of Implementation			
Recommendation	Implemented	In process	Not implemented
<b>Whistleblower Policy</b>			
District should consider establishing procedures for the receipt, retention and treatment of complaints received by the District regarding accounting, internal controls, and auditing and compliance matters. A confidential, anonymous submission process should be developed for employees or other stakeholders to communicate any questionable accounting or auditing matters.	X		
<b>Service Auditors' Reports</b>			
Management should request and monitor the results of this report and ensure that the recommended complementary controls expected to be in place at the District exist as part of the entire internal control process, are in place and operating effectively, and are documented. This may allow the District to place increased reliance on the controls existing at Texpool and TexSTAR.		X	