

Board of Trustees
Marin Community College District ("District")
Fremont, California

Professional standards require that we communicate certain matters to keep you adequately informed about matters related to the financial statement audit that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. We communicate such matters in this report.

AUDITOR'S RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA

Our responsibility is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. The audit of the financial statements does not relieve you of your responsibilities and does not relieve management of their responsibilities. Refer to our engagement letter with the District for further information on the responsibilities of management and of Crowe Horwath LLP.

AUDITOR'S RESPONSIBILITY UNDER GOVERNMENT AUDITING STANDARDS

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts or disclosures. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

PLANNED SCOPE AND TIMING OF THE AUDIT

We are to communicate an overview of the planned scope and timing of the audit. Accordingly, the following matters will be discussed during our meeting with you.

- How we addressed the significant risks of material misstatement, whether due to fraud or error.
- Our approach to internal control relevant to the audit.
- The concept of materiality in planning and executing the audit, focusing on the factors considered rather than on specific thresholds or amounts.
- Where the entity has an internal audit function, the extent to which the auditor used the work of internal audit, and how the external and internal auditors best work together.

- Your views and knowledge about matters you consider warrant our attention during the audit, as well as your views on:
 - The allocation of responsibilities between you and management.
 - The entity's objectives and strategies, and the related business risks that may result in material misstatements.
 - Significant communications with regulators.
 - Other matters you believe are relevant to the audit of the financial statements.

SIGNIFICANT ACCOUNTING POLICIES AND MANAGEMENT JUDGMENTS AND ACCOUNTING ESTIMATES

Significant Accounting Policies: The Board of Trustees and management should be informed of the initial selection of and changes in significant accounting policies or their application. Also, The Board of Trustees and management should be aware of methods used to account for significant unusual transactions and the effect of significant accounting policies in controversial or emerging areas where there is a lack of authoritative consensus. We believe management has the primary responsibility to inform the Board of Trustees and management about such matters. To Board of Trustees and management in its oversight role, we also provide the following.

Accounting Standard	Impact of Adoption
GASB Statement No. 61 – The Financial Reporting Entity: Omnibus – An Amendment of GASB Statements No. 14 and No.34. This Statement modifies certain requirements for inclusion of component units in the financial reporting entity.	Adoption of this Statement did not have a material impact on the District's financial position or results of operations.
GASB Statement No. 59 – Financial Instruments Omnibus. The Statement updates and improves existing standards regarding financial reporting of certain financial instruments and external investment pools.	Adoption of this Statement did not have a material impact on the District's financial position or results of operations.
Statement on Auditing Standards No. 119 - Supplementary Information in Relation to the Financial Statements as a Whole. The AICPA has issued Statement on Auditing Standards (SAS) No. 119, <i>Supplementary Information in Relation to the Financial Statements as a Whole</i> . This standard addresses the auditor's responsibility when engaged to report on whether supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.	This standard is applicable as a result of the supplementary information listed in the table of contents to the financial statements. Implementation of this standard will result in slight changes to the wording within the supplementary information paragraph in our opinion. In addition, the management representation letter will include additional language regarding the fair presentation of the supplementary information.
Statement on Auditing Standards No. 120 – Required Supplementary Information. The AICPA has issued Statement on Auditing Standards (SAS) No. 120, <i>Required Supplementary Information</i> . This standard addresses the auditor's responsibility with respect to information that a designated accounting standard setter requires to accompany an entity's basic financial statements.	This standard is applicable as a result of Management's Discussion and Analysis and the Schedule of Other Postemployment Benefits Funding Progress presented in the District's report. Implementation of this standard resulted in slight changes to the wording within the required supplementary information paragraph in our opinion. In addition, the management representation letter includes additional language regarding the fair presentation of the required supplementary information.

Accounting Standard	Impact of Adoption
Significant Unusual Transactions.	No such matters noted.
Significant Accounting Policies in Controversial or Emerging Areas.	No such matters noted.

Management Judgments and Accounting Estimates: Further, accounting estimates are an integral part of the financial statements prepared by management and are based upon management's current judgments. These judgments are based upon knowledge and experience about past and current events and assumptions about future events. Certain estimates are particularly sensitive because of their significance and because of the possibility that future events affecting them may differ markedly from management's current judgments and may be subject to significant change in the near term.

The following describes the significant accounting estimates reflected in the District's year end financial statements, the process used by management in formulating these particularly sensitive accounting estimates and the primary basis for our conclusions regarding the reasonableness of those estimates.

Significant Accounting Estimate	Process Used by Management	Basis for Our Conclusions
Allowance for Doubtful Accounts and Bad Debt Expense	The allowance for doubtful accounts was determined by management by a process involving consideration of past experiences, current aging information, and other available data including environmental factors such as industry, geographical, economic and political factors.	We tested this accounting estimate by reviewing, on a test basis, the information listed.
Fair Values of Investment Securities and Other Financial Instruments	The disclosure of fair values of securities and other financial instruments requires management to use certain assumptions and estimates pertaining to the fair values of its financial assets and financial liabilities.	We tested the propriety of information underlying management's estimates.
Loss Contingencies	The District consults with legal counsel to evaluate outstanding litigation, claims and assessments. Factors that affect management's evaluation of litigation contingencies requiring disclosure include the nature of the contingencies and whether the outcome could have an effect on the consolidated financial statements.	Based on information obtained from the District's legal counsel regarding this matter and discussions with management, no outstanding litigation, claims or assessments were identified that required the disclosure or accruing of contingencies.
Pension and Postretirement Obligations	Amounts reported for pension and postretirement obligations require management to use estimates that may be subject to significant change in the near term. These estimates are based on projection of the weighted average discount rate, rate of increase in future compensation levels, and weighted average expected long-term rate of return on pension assets.	We reviewed the reasonableness of these estimates and assumptions.

AUDITOR'S JUDGMENTS ABOUT QUALITATIVE ASPECTS OF SIGNIFICANT ACCOUNTING PRACTICES

We are to discuss with you our comments about the following matters related to the District's accounting policies and financial statement disclosures. Accordingly, these matters will be discussed during our meeting with you.

- The appropriateness of the accounting policies to the particular circumstances of the entity, considering the need to balance the cost of providing information with the likely benefit to users of the entity's financial statements.
- The overall neutrality, consistency, and clarity of the disclosures in the financial statements.
- The effect of the timing of transactions in relation to the period in which they are recorded.
- The potential effect on the financial statements of significant risks and exposures, and uncertainties that are disclosed in the financial statements.
- The extent to which the financial statements are affected by unusual transactions including nonrecurring amounts recognized during the period, and the extent to which such transactions are separately disclosed in the financial statements.
- The issues involved, and related judgments made, in formulating particularly sensitive financial statement disclosures.
- The factors affecting asset and liability carrying values, including the entity's basis for determining useful lives assigned to tangible and intangible assets.
- The selective correction of misstatements, for example, correcting misstatements with the effect of increasing reported earnings, but not those that have the effect of decreasing reported earnings.

CORRECTED AND UNCORRECTED MISSTATEMENTS

Corrected Misstatements: We are to inform you of material corrected misstatements that were brought to the attention of management as a result of our audit procedures.

There were no such misstatements.

Uncorrected Misstatements: We are to inform you of uncorrected misstatements that were aggregated by us during the current engagement and pertaining to the latest and prior period(s) presented that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. For your consideration, we have distinguished misstatements between known misstatements and likely misstatements.

We noted one uncorrected misstatement, that was determined by management to be immaterial to the District's financial statements as a whole. This uncorrected misstatement is summarized in the accompanying schedule.

OTHER COMMUNICATIONS

Communication Item	Results
<p>Other Information In Documents Containing Audited Financial Statements</p> <p>Information may be prepared by management that accompanies the financial statements. To assist your consideration of this information, you should know that we are required by audit standards to read such information and consider whether such information, or the manner of its presentation, is materially inconsistent with information in the financial statements. If we consider the information materially inconsistent based on this reading, we are to seek a resolution of the matter.</p>	<p>Accordingly, we will read the other information noted above and compare the information therein to the financial statements. We will inform you of any material inconsistencies or misstatement of facts noted in such information based on our reading thereof.</p>
<p>Significant Difficulties Encountered During the Audit</p> <p>We are to inform you of any significant difficulties encountered in dealing with management related to the performance of the audit.</p>	<p>There were no significant difficulties encountered in dealing with management related to the performance of the audit.</p>
<p>Disagreements With Management</p> <p>We are to discuss with you any disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the District's financial statements or the auditor's report.</p>	<p>During our audit, there were no such disagreements with management.</p>
<p>Consultations With Other Accountants</p> <p>If management consulted with other accountants about auditing and accounting matters, we are to inform you of such consultation, if we are aware of it, and provide our views on the significant matters that were the subject of such consultation.</p>	<p>We are not aware of any instances where management consulted with other accountants about auditing or accounting matters since no other accountants contacted us, which they are required to do by Statement on Auditing Standards No. 50, before they provide written or oral advice.</p>
<p>Representations The Auditor Is Requesting From Management</p> <p>We are to provide you with a copy of management's requested written representations to us.</p>	<p>We direct your attention to a copy of the letter of management's representation to us provided separately.</p>
<p>Significant Issues Discussed, or Subject to Correspondence, With Management</p> <p>We are to communicate to you any significant issues that were discussed or were the subject of correspondence with management.</p>	<p>There were no such significant issues discussed, or subject to correspondence, with management.</p>
<p>Other Findings or Issues We Find Relevant or Significant</p> <p>We are to communicate to you other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to you regarding your oversight of the financial reporting process.</p>	<p>There were no such other findings or issues that are, in our judgment, significant and relevant to you regarding your oversight of the financial reporting process.</p>

We are pleased to serve your District as its independent auditors and look forward to our continued relationship. We provide the above information to assist you in performing your oversight responsibilities, and would be pleased to discuss this letter or any matters further, should you desire. This letter is intended solely for the information and use of Board of Trustees and, if appropriate, management, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Crowe Horwath LLP", written in a cursive, flowing style.

Crowe Horwath LLP

Sacramento, California
January 31, 2013

Marin Community College District
Summary of Uncorrected Misstatements
Year Ended June 30, 2012

During the course of our audit, we accumulated uncorrected misstatements that were determined by management to be immaterial, both individually and in the aggregate, to the consolidated statements of financial position, results of operations, and cash flows and to the related consolidated financial statement disclosures. These misstatements were evaluated using both the iron curtain approach. The iron curtain (balance sheet) approach quantifies a misstatement based on the effects of correcting the misstatement existing in the balance sheet at the end of the current year, irrespective of the misstatement's year(s) of origination. Following is a summary of those differences as measured using the iron curtain approach.

<u>Description</u>	<u>Effect – Increase (Decrease)</u>				
	<u>Assets</u>	<u>Liabilities</u>	<u>Equity</u>	<u>Revenue</u>	<u>Expense</u>
- Adjustment for amortization/ accretion of bond issuance costs/premium under the effective interest method		\$ 251,919			\$ 251,919
Total Effect			\$ (251,919)	\$	\$ 251,919
Balance Sheet Effect	\$ -	\$ 251,919	\$ (251,919)		

January 31, 2013

Crowe Horwath LLP
400 Capitol Mall, Suite 1200
Sacramento, California

Ladies and Gentlemen:

We are providing this letter in connection with your audit of the financial statements of Marin Community College District as of and for the year ended June 30, 2012 for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the respective financial position of the business-type activities, and the fiduciary fund information of the Marin Community College District, and the respective changes in financial position and cash flows, where applicable, in conformity with accounting principles generally accepted in the United States of America.

Some representations in this letter are specifically limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit:

1. We are responsible for the fair presentation in the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States and we believe the financial statements are fairly presented and include all properly classified funds and other financial information of the primary government required by generally accepted accounting principles ["required by accounting principles generally accepted in the United States]." to be included in the financial reporting entity.
2. We are responsible for maintaining internal control that will, among other things, help assure the preparation of the financial statements in conformity with accounting principles generally accepted in the United States. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
3. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
4. We have made available to you all –
 - a. Financial records and related data.
 - b. Minutes of Board of Trustees or summaries of actions of recent meetings for which minutes have not yet been prepared.

- c. Audit or relevant monitoring reports, if any, received from funding sources.
- 5. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 6. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements or the schedule of expenditures of federal awards.
- 7. We have no plans or intentions that might materially affect the carrying value or classification of assets, liabilities.
- 8. We have identified all accounting estimates that materially affect recorded amounts and disclosures in the financial statements, and the key factors and significant assumptions underlying those estimates. We believe the estimates are reasonable in the circumstances.
 - a. Valuation of long lived assets.
 - b. Disclosure of pension plans or other post retirement benefits.
- 9. Adequate consideration and provision has been made, when necessary, for any material losses likely to be sustained from:
 - a. Sales commitments.
 - b. Sale of inventory, including excess or obsolete inventories on hand.
 - c. Purchase commitments for inventory quantities in excess of normal requirements or at a price in excess of market.
 - d. Impairment of long-lived assets when the carrying amount may not be recoverable.
 - e. Collection of receivables.
 - f. Environmental remediation liabilities.
- 10. Except as disclosed in the financial statements, or directly to you, there are or have been no material:
 - a. Related party transactions and related amounts receivable or payable, including revenues, expenditures/expenses, loans, transfers, leasing arrangements and guarantees.
 - b. Arrangements, either written or oral, with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements.
 - c. Oral or written guarantees under which the entity is contingently liable.
 - d. Other financial instruments with significant "off-balance-sheet" risk of accounting loss to which the entity is a party.
 - e. Asserted or unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with Statement of Financial Accounting Standards No. 5, *Accounting for Contingencies*.

- f. Concentrations that make the entity vulnerable to the risk of a severe impact within one year from the balance sheet date (including, for example, individual or group concentrations of customers, suppliers, lenders, products, services, sources of labor or materials, licenses or other rights, operating areas or markets).
 - g. Significant accounting estimates that are susceptible to changing materially as a result of an event or change in conditions that is reasonably possible of occurrence within one year from the balance sheet date.
 - h. Liens, encumbrances or other title impairments, such as pledges as collateral, on entity assets at the balance sheet date.
 - i. Restrictions under borrowing agreements.
 - j. Unrecorded transactions.
 - k. Significant events that have occurred subsequent to the balance sheet date through the date of this letter that would require adjustment to, or disclosure in, the financial statements.
 - l. Declines in market value of investments that are not temporary.
11. Except as disclosed to you, we have no knowledge of any fraud or suspected fraud affecting the entity involving:
- a. Management, whether material or not.
 - b. Employees who have significant roles in internal control, whether material or not.
 - c. Others where the fraud could have a material effect on the financial statements.
12. Except as disclosed to you, we have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, analysts, regulators, or others.
13. Except as disclosed to you, there have been no:
- a. Violations or possible violations of budget ordinances, laws or regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss.
 - b. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB Statement No. 5, *Accounting for Contingencies*.
 - c. Communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statements.
 - d. Reservations or designations of fund equity that were not properly authorized and approved.
14. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
15. With respect to compliance with Government Auditing Standards:

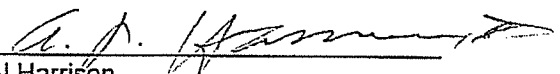
- a. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to this organization.
 - b. We are responsible for establishing and maintaining effective internal control over financial reporting.
 - c. We have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that have a direct and material effect on the determination of financial statement amounts.
 - d. We have identified and disclosed to you violations (or possible violations) of laws, regulations, and provisions of contracts and grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
16. With respect to the requirements of the Office of Management and Budget Circular A-133 related to federal awards:
- a. We are responsible for complying, and have complied, with the requirements of Circular A-133.
 - b. We have prepared (or reviewed) the schedule of expenditures of federal awards in accordance with Circular A-133 and have included expenditures made during the period being audited for all awards provided by federal agencies in the form of grants, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance.
 - c. We are responsible for complying with the requirements of laws, regulations, and the provisions of contracts and grant agreements related to each of its federal programs.
 - d. We are responsible for establishing and maintaining effective internal control over compliance for federal programs that provides reasonable assurance that the organization is managing federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on its federal programs.
 - e. We have identified and disclosed to you the requirements of laws, regulations and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each federal program.
 - f. We have made available all contracts and grant agreements (including amendments, if any) and any other correspondence that have taken place with federal agencies or pass-through entities and are related to federal programs.
 - g. We have complied, in all material respects, with the compliance requirements in connection with federal awards except as disclosed to you.
 - h. We have identified and disclosed to you all amounts questioned and any known noncompliance with the requirements of federal awards, including the results of other audits or program reviews.
 - i. Our interpretations of any compliance requirements that have varying interpretations have been provided to you.

- j. We have made available to you all documentation related to the compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
 - k. Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared, and are prepared on a basis consistent with the basis presented in the schedule of expenditures of federal awards.
 - l. The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the federal agency or pass-through entity, as applicable.
 - m. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by Circular A-133.
 - n. We have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
 - o. We have accurately completed the appropriate sections of the data collection form, or have reviewed those sections as prepared by you.
 - p. If applicable, we have disclosed all contracts or other agreements with the service organizations.
 - q. If applicable, we have disclosed to you all communications from the service organization relating to noncompliance at the service organization.
 - r. We have disclosed any known noncompliance occurring subsequent to the period for which compliance is audited.
 - s. We have disclosed whether any changes in internal control over compliance or other factors that might significantly affect internal control, including any corrective action taken by management with regard to deficiencies, significant deficiencies, and material weaknesses have occurred subsequent to the date as of which compliance is audited.
 - t. We have identified the requirements regarding activities allowed or unallowed, allowable costs/cost principles, cash management, Davis-Bacon Act, eligibility, equipment and real property management, matching, level of effort, earmarking, period of availability of federal funds, procurement, program income, real property acquisition and relocation assistance, reporting, subrecipient monitoring, special tests and provisions that are applicable to major programs, which are identified in the Schedule of Expenditures of Federal Awards.
 - u. We have complied with reporting requirements in connection with federal awards, and information presented in federal financial reports and claims for advances and reimbursements is supported by the accounting records from which the financial statements and the Schedule of Expenditures of Federal Awards were prepared.
 - v. Amounts claimed or used for matching, if applicable, were determined in accordance with relevant guidelines in OMB Circular A-21, "Cost Principles for Educational Institutions," and Subpart C, "Cost Sharing and Matching," of OMB Circular A-110, "Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations."
17. We are responsible for the presentation of the supplementary information in accordance with the applicable criteria and believe the supplementary information, including its form and content, is fairly presented in accordance with these criteria. The methods of measurement and

presentation have not changed from those used in the prior period. All significant assumptions or interpretations underlying the measurement and presentation of the supplementary information have been identified and disclosed to you. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.

18. We are responsible for the required supplementary information, including that such information is measured and presented in accordance with prescribed guidelines. The methods of measurement or presentation have not changed from those used in the prior period. All significant assumptions or interpretations underlying the measurement or presentation of the required supplementary information have been disclosed to you.
19. We understand that during the course of your audit, you have relied on work performed by the following specialists. We confirm that we have no relationships with those specialists that may bear on their objectivity, such as the ability through employment, ownership, contractual right, family relationship or otherwise to directly or indirectly control or significantly influence the specialist.
 - Total Compensation Systems, Inc.
20. During the course of your audit, we have provided to you physical or electronic copies of various original documents. We understand that you are relying on such copies as audit evidence in your audit and represent that copies provide are an accurate and completed representation of the original documentation and that the copies have not been modified from their original version.
21. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations other than College of Marin Foundation, who's audit is not complete and we understand no audit opinion has been given .
22. The financial statements properly classify all funds and activities.
23. All funds that meet the quantitative criteria in GASB Statements Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to the financial statement users.
24. Net asset components (invested in capital assets, net of related debt, restricted, and unrestricted) and fund balance reserves and designations are properly classified and, if applicable, approved
25. Expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
26. Revenues are properly classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
27. Interfund, internal, and intra-entity activity and balances have been properly classified and reported.

28. Special and extraordinary items are properly classified and reported.
29. Deposits and investment securities are properly classified in category of custodial credit risk.
30. Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
31. Required supplementary information (RSI) is measured and presented within prescribed guidelines.
32. All suggested adjusting journal entries, as discussed and approved, will be recorded in the accounting records.
33. We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes establishing and maintaining internal controls to record contributions and to comply with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.
34. Classifications of net assets are proper in accordance with restricted, temporarily restricted and unrestricted.
35. This Organization has maintained an appropriate composition of assets in amounts needed to comply with all donor restrictions.
36. We believe that the effects of the uncorrected financial statement misstatements summarized in the accompanying schedule are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.
37. We understand that you have assisted us with the preparation of our financial statements and footnotes and we have reviewed and approved the financial statements and footnotes and take full responsibility for them.


Al Harrison
Vice President of College Operations


Peggy Isozaki
Director of Fiscal Services

Marin Community College District
Summary of Uncorrected Misstatements (District)
Year Ended June 30, 2012

<u>Description</u>	<u>Effect – Increase (Decrease)</u>				
	<u>Assets</u>	<u>Liabilities</u>	<u>Equity</u>	<u>Revenue</u>	<u>Expense</u>
- Difference between S/L method and effective interest method for amortizing bond premium /discount		\$ 251,919			\$ 251,919
Total Effect			\$ (251,919)	\$	\$ 251,919
Balance Sheet Effect	\$ -	\$ 251,919	\$ (251,919)		