

Coconino County Community College District

Single Audit Report

Year Ended June 30, 2022



A Report to the Arizona Legislature

Lindsey A. Perry
Auditor General





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Annual Comprehensive Financial Report



LINDSEY A. PERRY
AUDITOR GENERAL

ARIZONA
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

Independent auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of basic financial statements performed in accordance with *Government Auditing Standards*

Members of the Arizona State Legislature

The Governing Board of
Coconino County Community College District

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the U.S. Comptroller General, the financial statements of the business-type activities and discretely presented component unit of Coconino County Community College District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 28, 2023. Our report includes a reference to other auditors who audited the financial statements of the Coconino Community College Foundation, the discretely presented component unit, as described in our report on the District's financial statements. The Foundation's financial statements were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Foundation.

Report on internal control over financial reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's basic financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2022-01 and 2022-02, that we consider to be significant deficiencies.

Report on compliance and other matters

As part of obtaining reasonable assurance about whether the District's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

District response to findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the findings identified in our audit that are presented in its corrective action plan at the end of this report. The District is responsible for preparing a corrective action plan to address each finding. The District's responses and corrective action plan were not subjected to the other auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Purpose of this report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lindsey A. Perry

Lindsey A. Perry, CPA, CFE
Auditor General

February 28, 2023



LINDSEY A. PERRY
AUDITOR GENERAL

ARIZONA
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

**Independent auditors' report on compliance for each major federal program;
report on internal control over compliance; and report on schedule of
expenditures of federal awards required by the Uniform Guidance**

Members of the Arizona State Legislature

The Governing Board of
Coconino County Community College District

Report on compliance for each major federal program

Opinion on each major federal program

We have audited Coconino County Community College District's compliance with the types of compliance requirements identified as subject to audit in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for opinion on each major federal program

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the U.S. Comptroller General, and the audit requirement of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the auditors' responsibilities for the audit of compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Management's responsibilities for compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditors' responsibilities for the audit of compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with U.S. generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, we express no such opinion.

We are required to communicate with those charged with governance regarding, among other matters, the audit's planned scope and timing and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on internal control over compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the auditors' responsibilities for the audit of compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on schedule of expenditures of federal awards required by the Uniform Guidance

We have audited the financial statements of the District's business-type activities and discretely presented component unit as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated February 28, 2023, that contained unmodified opinions on those financial statements. Our report also included a reference to our reliance on other auditors. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of the District's management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Lindsey A. Perry

Lindsey A. Perry, CPA, CFE
Auditor General

March 20, 2023



SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Summary of auditors' results

Financial statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles	Unmodified
Internal control over financial reporting	
Material weaknesses identified?	No
Significant deficiencies identified?	Yes
Noncompliance material to the financial statements noted?	No

Federal awards

Internal control over major programs	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516(a)?	No
Identification of major programs	
Assistance Listings number	Name of federal program or cluster
84.425	COVID-19 - Education Stabilization Fund
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

Financial statement findings

2022-01

The District's initial financial statements contained misstatements and misclassifications, which increased the risk that those relying on the reported financial information could be misinformed

Condition—Contrary to U.S. generally accepted accounting principles (GAAP), the District's initial financial statements contained approximately \$4.2 million in errors we identified and recommended the District correct so that the District's financial statements would correctly present required information. The District's Finance Department subsequently corrected these errors, which included misstatements and misclassifications comprised of nearly:

- \$2.2 million of leases receivable were understated on the Statement of Net Position and were not disclosed in the notes to financial statements.
- \$1.4 million of capital assets and leases payable were understated on the Statement of Net Position and leases payable were not disclosed in the notes to financial statements.
- \$397,200 in unearned revenues were overstated on the Statement of Net Position.
- \$273,100 of Smart and Safe Arizona Fund appropriations were overstated on the Statement of Revenues, Expenses, and Changes in Net Position.

In addition, numerous line items on the statement of cash flows were miscalculated.

Effect—The Finance Department corrected the errors we identified and recommended it correct before issuing the District's final financial statements. However, without the Finance Department's implementing corrective action to improve its financial reporting process, there is an increased risk that the District's financial statements could contain significant errors and misinform those who are relying on the information.

Cause—The Finance Department's personnel responsible for preparing the financial statements were not familiar with how to implement a new leases accounting and reporting standard that became effective for the fiscal year and did not have written policies and procedures to follow for preparing the financial statements and supporting schedules to ensure they were accurate and prepared in accordance with GAAP. In addition, the financial statements and note disclosures were not reviewed by management before they were provided for the audit.

Criteria—The Governmental Accounting Standards Board sets the accounting and financial reporting standards that require the District to prepare its financial statements in accordance with GAAP. Accurate financial statements provide valuable information to those charged with the District's governance and management, and others who are relying on the reported financial information to make important decisions about the District's financial operations. Designing, implementing, and maintaining effective policies and procedures is necessary to achieve the District's financial reporting objectives and an essential part of internal control standards, such as the *Standards for Internal Control in the Federal Government* issued by the Comptroller General of the United States.¹

Recommendations—The District's Finance Department should:

1. Ensure personnel receive adequate training on the implementation of new accounting and reporting standards and that it incorporates any new process resulting from new standards into its policies and procedures for preparing the District's financial statements.
2. Develop and implement written procedures for:
 - a. Preparing the financial statements and supporting schedules to ensure they are accurate and prepared in accordance with GAAP.
 - b. Requiring management to perform detailed supervisory reviews to ensure that the financial statements are accurate, properly supported, and presented in accordance with GAAP and to detect and correct errors in the financial statements before providing them for audit. This review should be performed by an individual who is independent of the financial statements' preparation and knowledgeable of GAAP reporting requirements to review the financial statements and related note disclosures.

The District's corrective action plan at the end of this report includes the views and planned corrective action of its responsible officials. We are not required to audit and have not audited these responses and planned corrective actions and therefore provide no assurances as to their accuracy.

¹ U.S. Government Accountability Office (GAO). (2014). *Standards for internal control in the federal government*. Washington, DC. Retrieved 2/7/2023 from <https://www.gao.gov/assets/670/665712.pdf>.

2022-02

The District's control procedures over IT systems and data were not sufficient, which increases the risk that the District may not adequately protect those systems and data

Condition—The District's control procedures were not sufficiently implemented to respond to risks associated with its information technology (IT) systems and data. Specifically, the District's procedures over restricting access did not consistently help prevent or detect unauthorized or inappropriate access to its IT systems and data.

Effect—There is an increased risk that the District may not adequately protect its IT systems and data, which could result in unauthorized or inappropriate access and/or the loss of confidentiality or integrity of systems and data.

Cause—District administration and IT management's primary focus in fiscal year 2022 was adding additional security measures to all employees' accounts and, therefore, the District reported it had limited time to fully implement policies and procedures for restricting access.

Criteria—Implementing effective internal controls that follow a credible industry source, such as the National Institute of Standards and Technology, helps the District to protect its IT systems and help ensure the integrity and accuracy of the data it maintains. Restricting access through logical access controls help to ensure systems and data are accessed by users who have a need, systems and data access granted is appropriate, and key systems and data access is monitored and reviewed.

Recommendations—The District should:

1. Make it a priority to implement policies and procedures to restrict access to IT systems and data.

2. Assign and periodically review employee user access ensuring appropriateness and compatibility with job responsibilities.
3. Remove terminated employees' access to IT systems and data.

The District's corrective action plan at the end of this report includes the views and planned corrective action of its responsible officials. We are not required to audit and have not audited these responses and planned corrective actions and therefore provide no assurances as to their accuracy.

This finding is similar to prior-year finding 2021-01.

Federal award findings and questioned costs

None reported.

DISTRICT SECTION

**COCONINO COUNTY COMMUNITY COLLEGE DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Period 7/1/2021 - 6/30/2022**

<i>Federal Awarding Agency/Program Title</i>	<i>Assistance Listing Number</i>	<i>Additional Award Identification (Optional)</i>	<i>Name of Funder Pass-Through Entity</i>	<i>Identifying Number Assigned By Funder Pass-Through Entity</i>	<i>Federal Expenditures</i>	<i>Federal Program Total</i>	<i>Cluster Name</i>	<i>Cluster Total</i>
NATIONAL SCIENCE FOUNDATION								
COMPUTER AND INFORMATION SCIENCE AND ENGINEERING	47.070		AZ BOARD OF REGENTS FOR NORTHERN ARIZONA UNIVERSITY	1004115-01	\$27,598	\$27,598	N/A	\$0
EDUCATION AND HUMAN RESOURCES	47.076		BOARD OF REGENTS, NSHE, OBO UNIV. OF NEVADA, LAS VEGAS	19-GRO6487-07	\$21,902	\$28,118	N/A	\$0
STEM EDUCATION	47.076		AZ BOARD OF REGENTS FOR NORTHERN ARIZONA UNIVERSITY	1003280-01	\$6,216	\$28,118	N/A	\$0
TOTAL NATIONAL SCIENCE FOUNDATION					<u>\$55,716</u>			
SMALL BUSINESS ADMINISTRATION								
SMALL BUSINESS DEVELOPMENT CENTERS	59.037		MARICOPA COUNTY COMMUNITY COLLEGE DISTRICT	None	\$99,774	\$148,401	N/A	\$0
COVID-19 SMALL BUSINESS DEVELOPMENT CENTERS	59.037	COVID-19	MARICOPA COUNTY COMMUNITY COLLEGE DISTRICT	None	\$48,627	\$148,401	N/A	\$0
TOTAL SMALL BUSINESS ADMINISTRATION					<u>\$148,401</u>			
DEPARTMENT OF EDUCATION								
ADULT EDUCATION - BASIC GRANTS TO STATES	84.002		ARIZONA DEPARTMENT OF EDUCATION	22FABASC-212231-01A			N/A	\$0
FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS	84.007		ARIZONA DEPARTMENT OF EDUCATION	22FELCC-212231-01A	\$256,425	\$256,425	N/A	\$0
FEDERAL WORK-STUDY PROGRAM	84.033		ARIZONA DEPARTMENT OF EDUCATION	22FRIECC-212231-01A	\$153,487	\$153,487	STUDENT FINANCIAL ASSISTANCE	\$3,414,785
TRIO STUDENT SUPPORT SERVICES	84.042		ARIZONA DEPARTMENT OF EDUCATION	22FRIECC-212231-01A	\$89,137	\$89,137	STUDENT FINANCIAL ASSISTANCE	\$3,414,785
CAREER AND TECHNICAL EDUCATION -- BASIC GRANTS TO STATES	84.048		ARIZONA DEPARTMENT OF EDUCATION	22FPRIEC-212231-01A	\$252,525	\$252,525	N/A	\$0
FEDERAL PELL GRANT PROGRAM	84.063		ARIZONA DEPARTMENT OF EDUCATION	22FVILEC-212231-01A	\$336,570	\$336,570	N/A	\$0
FUND FOR THE IMPROVEMENT OF POSTSECONDARY EDUCATION	84.116		YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT	22FCTDBG-212231-20A	\$2,091,185	\$2,091,185	STUDENT FINANCIAL ASSISTANCE	\$3,414,785
FEDERAL DIRECT STUDENT LOANS	84.268		YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT	P116T210013	\$9,790	\$9,790	N/A	\$0
STRENGTHENING MINORITY-SERVING INSTITUTIONS	84.382		YAVAPAI COUNTY COMMUNITY COLLEGE DISTRICT	P116T210013	\$1,080,976	\$1,080,976	STUDENT FINANCIAL ASSISTANCE	\$3,414,785
EDUCATION STABILIZATION FUND	84.425	COVID-19, 84.425E			\$150,739	\$150,739	N/A	\$0
EDUCATION STABILIZATION FUND	84.425	COVID-19, 84.425F			\$2,364,304	\$5,445,368	N/A	\$0
EDUCATION STABILIZATION FUND	84.425	COVID-19, 84.425L			\$2,771,569	\$5,445,368	N/A	\$0
EDUCATION STABILIZATION FUND	84.425	COVID-19, 84.425L			\$309,495	\$5,445,368	N/A	\$0
TOTAL DEPARTMENT OF EDUCATION					<u>\$9,866,202</u>			
DEPARTMENT OF HEALTH AND HUMAN SERVICES								
BIOMEDICAL RESEARCH AND RESEARCH TRAINING	93.859				\$60,645	\$60,645	N/A	\$0
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES					<u>\$60,645</u>			
TOTAL EXPENDITURE OF FEDERAL AWARDS					<u>\$10,130,964</u>			

Please Note:

Italicized award lines indicate pass-through funding

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of the schedule.

COCONINO COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fiscal Period 7/1/2021 - 6/30/2022

Significant Accounting Policies Used in Preparing the SEFA

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Also, included in the schedule is \$1,109,444 in revenues recorded for the Education Stabilization Fund (84.425F and 84.425L) programs received by the District to recover lost revenues. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

10% De Minimis Cost Rate

The District elected to use the 10 percent de minimis indirect cost rate.

Basis of presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Coconino County Community College District for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

Federal Assistance Listings numbers

The program titles and Federal Assistance Listing numbers were obtained from the federal or pass-through grantor or the 2022 Federal Assistance Listings.

DISTRICT RESPONSE



February 28, 2023

Lindsey A. Perry
Auditor General
2910 N. 44th St., Ste. 410
Phoenix, AZ 85018

Dear Ms. Perry:

We have prepared the accompanying Corrective Action Plan as required by the standards applicable to financial audits contained in *Government Auditing Standards* and by the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*. Specifically, for each finding we are providing you with our responsible officials' views, the names of the contact people responsible for corrective action, the corrective action planned, and the anticipated completion date.

Sincerely,

A handwritten signature in black ink, appearing to read "Jami Van Ess", is written over a light blue horizontal line.

Jami Van Ess
Executive Vice President

Coconino County Community College District
Corrective action plan
Year ended June 30, 2022

Financial statement findings

2022-01

The District's initial financial statements contained misstatements and misclassifications, which increased the risk that those relying on the reported financial information could be misinformed.

Contact Person: Sonni Marbury, Executive Director of Accounting

Anticipated Completion Date: September 30, 2023

Corrective Action: Personnel will receive adequate training on the implementation of new accounting and reporting standards, and the District will incorporate any new process resulting from new standards into its policies and procedures for preparing the District's financial statements as well as continue to seek out expert guidance from GFOA sources.

The District will also develop written procedures and timelines for preparing financial statements and supporting schedules to ensure they are accurate and prepared in accordance with GAAP. Additionally, management will perform a thorough review to detect and correct errors. This review will be performed by an individual who is not directly involved with financial statements' preparation and is knowledgeable of GAAP reporting requirements.

2022-02

The District's control procedures over IT systems and data were not sufficient, which increases the risk that the District may not adequately protect those systems and data.

Contact Person: Brian Wilson, Director of Information Technology Systems

Anticipated Completion Date: June 30, 2023

Corrective Action: Time resources and funding continue to present challenges; however, progress continues on the conversion of the processes and systems supporting ERP access and control. This is a long-term project reflecting a full replacement of a decades-old system and tracking that will eventually result in all users being under the new process and forms. CCC

systems are secure and following the established requirements as this project continues to progress satisfactorily.



February 14, 2023

Lindsey A. Perry
Auditor General
2910 N. 44th St., Ste. 410
Phoenix, AZ 85018

Dear Ms. Perry:

We have prepared the accompanying summary schedule of prior audit findings as required by the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Specifically, we are reporting the status of audit findings included in the prior audit's schedule of audit findings and questioned costs. This schedule also includes the status of audit findings reported in the prior year audit's summary schedule of prior audit findings that were not corrected.

Sincerely,

A handwritten signature in blue ink that reads "Jami Van Ess". The signature is written in a cursive style with a large, sweeping initial 'J'.

Jami Van Ess
Executive Vice President

Coconino County Community College District
Summary Schedule of Prior Audit Findings
Year ended June 30, 2022

Status of financial statement findings

The District's control procedures over IT systems and data were not sufficient, which increases the risk that the District may not adequately protect those systems and data.

Finding number: 2021-01 This finding initially occurred in fiscal year 2018.

Status: Partially corrected.

Contact Person: Brian Wilson, Director of Information Technology Systems

Anticipated completion date: June 30, 2023

Explanation: Time resources and funding continue to present challenges; however, progress continues on the conversion of the processes and systems supporting ERP access and control. This is a long-term project reflecting a full replacement of a decades-old system and tracking that will eventually result in all users being under the new process and forms. CCC systems are secure and following the established requirements as this project continues to progress satisfactorily.

