

Northeast Arizona Technological Institute of Vocational Education

District spent nearly \$3 million on career and technical education (CTE) programs in fiscal year 2021 but lacked a comprehensive plan for its central CTE programs, lacked key outcome data showing its programs effectively prepared students for high-need occupations, accumulated over \$4 million in fund balances by the end of fiscal year 2021 but did not have a policy directing the amount or purpose of monies to be maintained in its general fund, and assigned some accounting system users too much access

Audit purpose

To determine if the District was meeting its statutory purposes to prepare students for high-need occupations, spending State monies appropriately, and following best practices.

Key findings

- District lacked a comprehensive plan for its central campus, resulting in unused facilities and increased risk of wasteful spending on unsustainable current and future programs.
- District did not collect, validate, and use key student outcome data to help assess whether its CTE programs prepared students for high-need occupations; absent this data, District could not demonstrate the nearly \$3 million it spent on programs in fiscal year 2021 was effectively used.
- District accumulated a \$3.7 million general fund balance by end of fiscal year 2021, or 1.2 times its fiscal year 2021 general fund expenditures, but did not have policy regarding amount or purpose of monies to be maintained in its general fund.
- District assigned some users too much access to its accounting system, increasing its risk of errors and fraud.

Key recommendations

The District should:

- Develop and follow a comprehensive strategic plan in accordance with recommended practices that includes the District's goals for the operation of its central campus, including assessing whether it is practical to expand its central campus CTE programs and facilities.
- Develop and implement consistent data collection protocols for all CTE programs. This includes collecting and validating complete data and developing a process to track all outcome data.
- Analyze all CTE program outcome data to evaluate its CTE programs' effectiveness in preparing students for high-need occupations and to support the investment of any public monies.
- Develop and implement a formal fund balance policy consistent with best practices for its general fund regarding the level and purpose of these monies.
- Establish and implement written policies and procedures to assign and periodically review employees' accounting system access to ensure they have access to only those accounting system functions needed to perform their job duties.