

Northern Arizona Vocational Institute of Technology

District spent nearly \$4.4 million on career and technical education (CTE) programs in fiscal year 2021 but lacked key outcome data showing these programs effectively prepared students for high-need occupations, and accumulated almost \$10 million in fund balances by the end of fiscal year 2021 but did not have a policy directing the amount to be maintained in its general fund or its intended purpose

Audit purpose

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

Key findings

- District did not consistently 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 \$4.4 million it spent on programs in fiscal year 2021 was effectively used.
- District accumulated almost \$10 million in fund balances by end of fiscal year 2021 but did not have policy directing amount to be maintained in its general fund or its intended purpose.

Key recommendations

The District should:

- Develop and implement consistent data collection protocols for all CTE programs to demonstrate compliance with statutory and ADE requirements and recommended practices. This includes collecting and validating complete data and developing a process to track all outcome data.
- Analyze CTE program outcome data to evaluate the effectiveness of its CTE programs in preparing students for high-need occupations and to support the investment of any public monies.
- Implement the Government Finance Officers Association's best practices recommendations and develop and implement a formal fund balance policy for its general fund regarding the level and purpose of those monies, including considering the financial resources available in other funds when assessing the adequacy of the unrestricted fund balance in the general fund.
- Develop and implement a plan to spend on its CTE programs any unrestricted fund balance in its general fund that is greater than the level it has adopted in its formal fund balance policy, which may include spending to improve its key student outcomes.