

**COCONINO COUNTY
COMMUNITY COLLEGE DISTRICT
(COCONINO COMMUNITY COLLEGE)
SINGLE AUDIT REPORTING PACKAGE
FOR YEAR ENDED JUNE 30, 2003**

**COCONINO COUNTY COMMUNITY COLLEGE DISTRICT
(COCONINO COMMUNITY COLLEGE)
SINGLE AUDIT REPORTING PACKAGE
FOR THE YEAR ENDED JUNE 30, 2003**

CONTENTS

Page

Comprehensive Annual Financial Report

Issued Separately

Report on Compliance and on Internal Control

Report on Compliance and on Internal Control Over Financial Reporting
Based on an Audit of Financial Statements Performed in Accordance
with *Government Auditing Standards* 1

Report on Compliance with Requirements Applicable to Each Major
Program and on Internal Control over Compliance in Accordance with
OMB Circular A-133 3

Schedule of Expenditures of Federal Awards 5

Notes to Schedule of Expenditures of Federal Awards 6

Schedule of Findings and Questioned Costs:

Section I - Summary of Auditors' Results 7

Section II - Financial Statement Findings 8

Section III - Federal Award Findings and Questioned Costs 8



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Auditor General of the State of Arizona

The Governing Board of
Coconino County Community College District

We have audited the basic financial statements of Coconino County Community College District as of and for the year ended June 30, 2003, and have issued our report thereon dated October 7, 2003. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of basic financial statement amounts. 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 that are required to be reported under *Government Auditing Standards*. However, we noted a certain immaterial instance of noncompliance that we have reported to the District's management in a separate letter dated October 7, 2003.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Arizona State Legislature, the Auditor General of the State of Arizona, the Governing Board, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

HEINFELD, MEECH & CO., P.C.
Certified Public Accountants

October 7, 2003



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Auditor General of the State of Arizona

The Governing Board
Coconino County Community College District

Compliance

We have audited the compliance of Coconino County Community College District with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2003. The District's major federal program is identified in the Summary of Auditors' Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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 Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the District's compliance with those requirements.

In our opinion, Coconino County Community College District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2003.

Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of internal control over compliance would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the District's basic financial statements as of and for the year ended June 30, 2003, and have issued our report thereon dated October 7, 2003. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the members of the Arizona State Legislature, the Auditor General of the State of Arizona, the Governing Board, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

HEINFELD, MEECH & CO., P.C.
Certified Public Accountants

October 7, 2003

**COCONINO COUNTY COMMUNITY COLLEGE DISTRICT
(COCONINO COMMUNITY COLLEGE)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2003**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures</u>
<u>U.S. Department of Education</u>			
Direct Programs:			
Title III - Strengthening Institutions	84.031A	N/A	\$ 387,413
Student Financial Assistance Cluster:			
Supplemental Educational Opportunity Grants	84.007	N/A	175,612
Work-Study Program	84.033	N/A	77,382
Pell Grant Program	84.063	N/A	1,115,938
Total Student Financial Assistance Cluster			<u>1,368,932</u>
Passed through Arizona State Board of Directors for Community Colleges:			
Vocational Education - Basic Grants to State	84.048	30302	180,902
Passed through Arizona Department of Education:			
Vocational Education - Tech Prep	84.243	03FCTDTP-370545-01A	121,113
Passed through Arizona Commission for Postsecondary Education:			
State Student Incentive Grant	84.069	86-6004791	<u>25,116</u>
Total U.S. Department of Education			<u><u>2,083,476</u></u>
 <u>Small Business Administration</u>			
Passed through Maricopa County Community College District:			
Small Business Development Center	59.037	3-603001-Z-0003-11	<u>76,997</u>
Total Expenditures of Federal Awards			<u><u>\$ 2,160,473</u></u>

See accompanying notes to schedule.

**COCONINO COUNTY COMMUNITY COLLEGE DISTRICT
(COCONINO COMMUNITY COLLEGE)
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2003**

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Coconino County Community College District and is presented on the full accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

NOTE 2 - CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2003 *Catalog of Federal Domestic Assistance*.

**COCONINO COUNTY COMMUNITY COLLEGE DISTRICT
(COCONINO COMMUNITY COLLEGE)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2003**

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:
 Material weakness(es) identified? _____yes X no
 Reportable condition(s) identified not considered to
 be a material weakness(es)? _____yes X none reported

Noncompliance material to financial statements noted? _____yes X no

Federal Awards

Internal control over major programs:
 Material weakness(es) identified? _____yes X no
 Reportable condition(s) identified not considered to
 be a material weakness(es)? _____yes X none reported

Type of auditors' report issued on compliance for major
 programs: Unqualified

Any audit findings disclosed that are required to be reported
 in accordance with Circular A-133, Section .510(a)? _____yes X no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
	Student Financial Assistance Cluster
84.007	Supplemental Educational Opportunity Grants
84.033	Work-Study Program
84.063	Pell Grant Program

Dollar threshold used to distinguish between Type A and Type
 B programs: \$300,000

Auditee qualified as low-risk auditee? X yes _____no

Other Matters

Auditee's Summary Schedule of Prior Audit Findings required
 to be reported in accordance with Circular A-133 (section
 .315[b])? _____yes X no

**COCONINO COUNTY COMMUNITY COLLEGE DISTRICT
(COCONINO COMMUNITY COLLEGE)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2003**

SECTION II - FINANCIAL STATEMENT FINDINGS

We noted no reportable conditions, material weaknesses or instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

We noted no reportable conditions, material weaknesses or instances of noncompliance related to the audit of major federal programs as required to be reported by OMB Circular A-133.