

## Maricopa County Community College District Annual financial statement and compliance audits

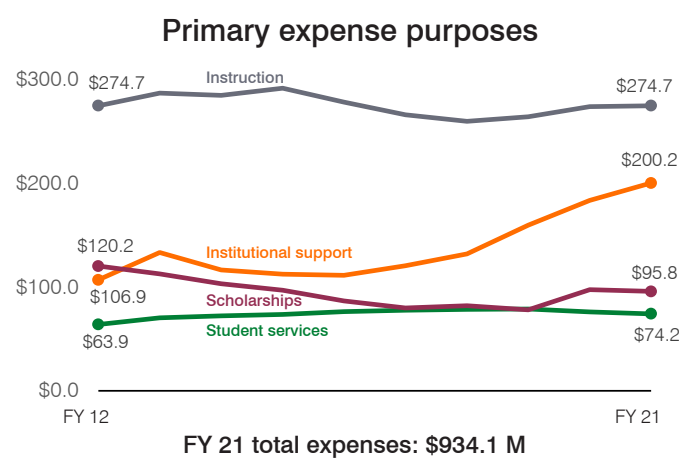
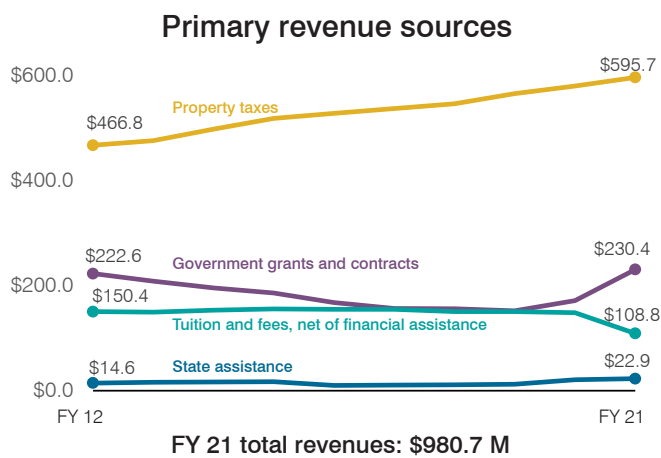
The District's fiscal year 2021 reported financial information is reliable. However, we reported deficiencies and noncompliance over financial reporting and federal programs, summarized on the next page.

### Audits' purpose

To express our opinions on the District's financial statements and on compliance with certain federal requirements and, if applicable, to report findings over noncompliance with certain laws and regulations or other financial deficiencies.

### Primary revenue sources and how they were spent

Fiscal years (FY) 2012 through 2021  
(In millions)



Source: Auditor General staff summary of information obtained from the District's financial statements.

### Largest primary revenue sources FY 2021

- **Property taxes 60.7%**—Levied and collected from property owners based on the assessed value of real and personal property within Maricopa County.
- **Government grants and contracts 23.5%**—Includes State and federal government grant programs awarded primarily for student financial aid and contracts to provide educational services.

### Largest primary expense purposes FY 2021

- **Instruction 29.4%**—Costs to provide instruction for all sessions and online learning, including instruction for general academics, vocational/technical programs, and community education.
- **Institutional support 21.4%**—Costs for District-wide planning and administrative support, including executive management, general and fiscal operations, information technology, and public relations/development.

### District's net position increased in FY 2021

District revenues were \$46.6 million greater than its expenses, increasing total net position to \$548.9 million at June 30, 2021. Net position includes all assets, such as buildings, vehicles, and cash and investments, less all liabilities, such as unpaid pension and other payroll obligations, long-term debt, and accounts payable. None of this net position is unrestricted, meaning some is not in spendable form, and the rest is restricted by external parties.

## Auditor findings and recommendations

Summarized below are our findings and recommendations included in the District's [Report on Internal Control and on Compliance](#) and [Single Audit Report](#) where there is further information and the District's responses.

The District should:

- Implement and monitor policies and procedures for assigning and restricting access to its information technology (IT) systems and data to effectively prevent and detect unauthorized or inappropriate access or use, manipulation, damage, or loss to its systems and data. We reported a similar finding in prior years.
- Require its colleges to follow its existing policies and procedures over student financial assistance programs to accurately report student enrollment status information to the National Student Loan Data System, reconcile District records to the federal programs' monthly information reported on the federal Common Origination Disbursement (COD) system, and report all disbursements on the COD system within the required 15 days. We reported a similar finding in prior years for the student enrollment reporting.
- Develop and implement policies and procedures to monitor its federally funded endowments held with the Maricopa Community College Foundation, accurately report the endowments on its schedule of expenditures of federal awards, and complete the required financial reports on the endowments for the Higher Education—Institutional Aid program.

## Auditor General website report links

- The June 30, 2021, Maricopa County Community College District Annual Comprehensive Financial Report, Report on Internal Control and on Compliance, and Single Audit Report that are summarized in these highlights can be found at this [link](#). These reports should be read to fully understand the District's overall financial picture and our reporting responsibilities.
- The District's reports from prior years are available at this [link](#).
- For help in understanding important information presented in these reports, please refer to our user guides at the following links:
  - [Financial Report User Guide for Colleges and Universities](#).
  - [Internal Control and Compliance Reports User Guide](#).