

## Graham County Community College District

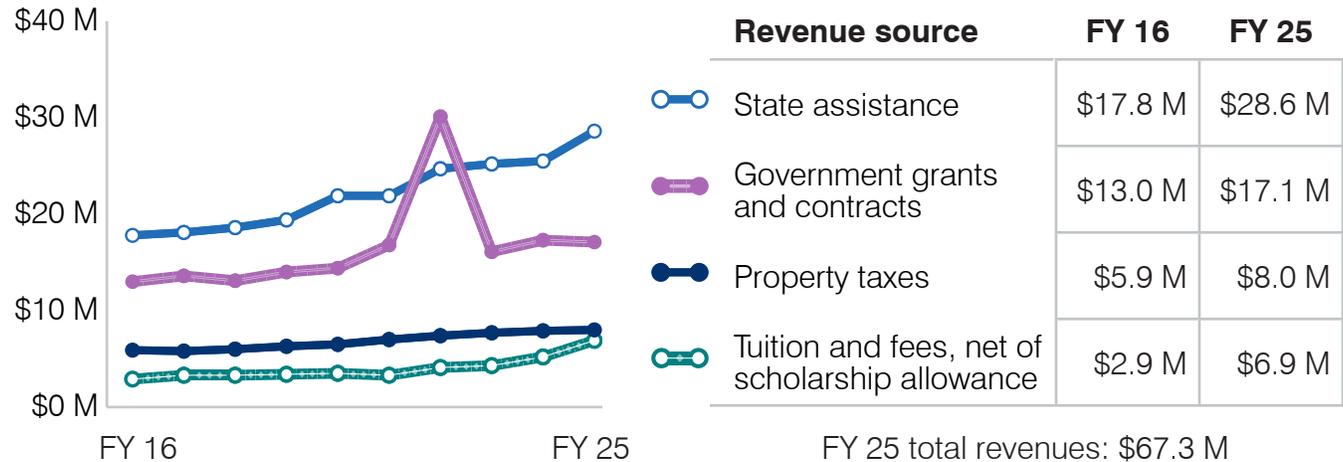
### Annual financial statement and compliance audits

The District’s fiscal year 2025 reported financial information is reliable. However, we reported deficiencies and noncompliance over financial reporting and federal programs, summarized on page 3.

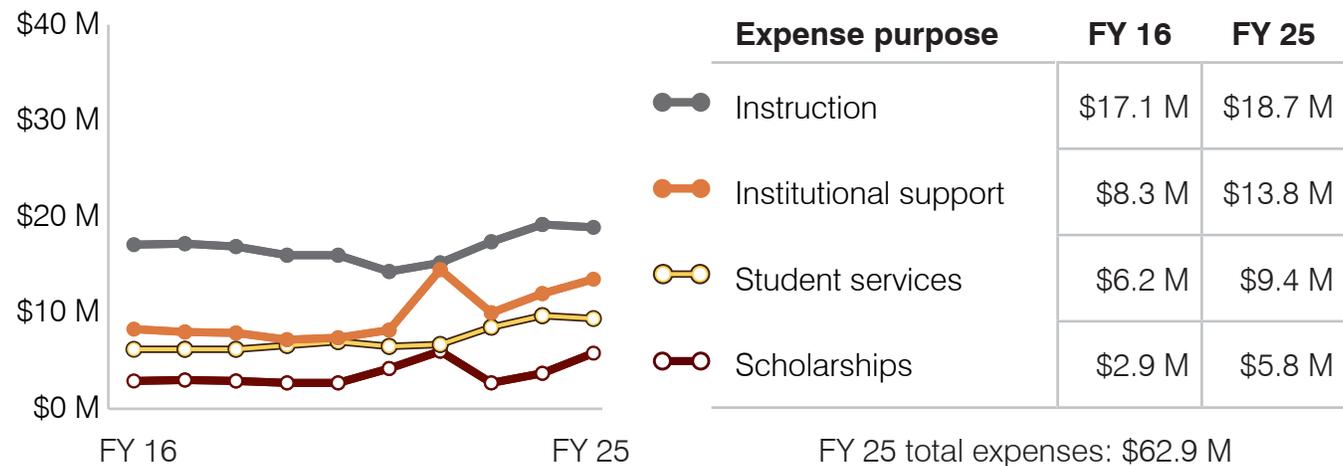
### Audits’ purpose

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, in millions (FY 2016 through FY 2025)



### Primary expense purposes, in millions (FY 2016 through FY 2025)



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

## FY 2025 largest primary revenue sources as a percentage of total revenues

### ▶ State assistance, 42.5%

Includes State appropriations for general operations and maintenance, science/technology and workforce programs, equalization aid, and the District's share of State sales taxes.

### ▶ Government grants and contracts, 25.4%

Includes State and federal government grant programs awarded primarily for student financial aid and contracts to provide educational services, including those for Greenlee County and Gila County Provisional Community College District. These revenues spiked in FY 2022 because of the receipt of federal COVID-19 relief monies.

## FY 2025 largest primary expense purposes as a percentage of total expenses

### ▶ Instruction, 29.7%

Costs to provide instruction for all sessions and online learning, including instruction for general academics, vocational/technical programs, and community education.

### ▶ Institutional support, 21.9%

Costs for District-wide planning and administrative support, including executive management, general and fiscal operations, information technology, and public relations/development. These expenses spiked in FY 2022 due to the spending of additional federal COVID-19 relief monies.

## District's net position increased in FY 2025

District revenues were \$4.4 million greater than its expenses, increasing total net position to \$75.9 million at June 30, 2025. 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 obligations for leases and subscription-based information technology arrangements, and accounts payable. Of the total net position, \$56.8 million is restricted by external parties or is not in spendable form, and the remaining \$19.1 million is unrestricted.

## Auditor findings and recommendations

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

The District needs to:

- ▶ Develop, document, and implement procedures over restricting access to its IT systems and data and data and vendor management. We found that the District's procedures did not consistently help prevent or detect unauthorized or inappropriate access to its IT systems and data.
- ▶ Require its Financial Aid and Veteran Services Department to follow federal guidelines and update its existing policies and procedures over student financial assistance programs to ensure enrollment status changes are timely reported to the federal agency. We found that the Department did not timely report enrollment status changes to the National Student Loan Data System within the required 60 days for 19 of 35 students we tested.

## Auditor General website report links

- ▶ **June 30, 2025, [Graham County Community College District Annual Financial Report and Single Audit Report.](#)**

These highlights summarize the reports above. The full reports explain the District's overall financial picture and our reporting responsibilities.

- ▶ The [District's reports from prior years.](#)
- ▶ **User guides that help explain the important information presented in these reports:**
  - [Financial Report User Guide for Colleges and Universities.](#)
  - [Internal Control and Compliance Reports User Guide.](#)