



Single Audit Report Year Ended June 30, 2025

Graham County Community College District (Eastern Arizona College)



Lindsey A. Perry
Auditor General

Arizona Auditor General's mission

The Arizona Auditor General's mission is to provide independent and impartial information, impactful recommendations, and stakeholder education to improve Arizona government for its citizens. To this end, the Office conducts financial statement audits and provides certain accounting services to the State and political subdivisions, investigates possible criminal violations involving public officials and public monies, and conducts performance audits and special reviews of school districts, State agencies, and the programs they administer.

The Joint Legislative Audit Committee

The Joint Legislative Audit Committee consists of 5 Senate members appointed by the Senate President and 5 House members appointed by the House Speaker. The Committee is responsible for overseeing the Office, including (1) overseeing all audit functions of the Legislature and State agencies, including sunset, performance, special, and financial audits; special research requests; and the preparation and introduction of legislation resulting from audit report findings; (2) requiring State agencies to comply with audit findings and recommendations; (3) receiving status reports regarding the progress of school districts to implement recommendations; and (4) scheduling hearings to review the status of State agencies and school districts.

Senator **Mark Finchem**, Co-chairman

Senator **Flavio Bravo**

Senator **Tim Dunn**

Senator **David C. Farnsworth**

Senator **Catherine Miranda**

Senator **Warren Petersen** (ex officio)

Representative **Matt Gress**, Chairman

Representative **Michael Carbone**

Representative **Michele Peña**

Representative **Stephanie Stahl-Hamilton**

Representative **Betty Villegas**

Representative **Steve Montenegro** (ex officio)

Audit staff

Katherine Edwards Decker, Director

Taryn Stangle, Manager

Contact information

 (602) 553-0333

 contact@azauditor.gov

 www.azauditor.gov

2910 N. 44th St., Ste. 410
Phoenix, AZ 85018-7271

TABLE OF CONTENTS

AUDITORS' SECTION

INDEPENDENT AUDITORS' REPORT on internal control over financial reporting and on compliance and other matters based on an audit of basic financial statements performed in accordance with *Government Auditing Standards* 1

INDEPENDENT AUDITORS' REPORT on compliance for each major federal program; report on internal control over compliance; and report on schedule of expenditures of federal awards required by the Uniform Guidance 3

SCHEDULE OF FINDINGS AND QUESTIONED COSTS 7

SUMMARY OF AUDITORS' RESULTS 7

FINANCIAL STATEMENT FINDINGS

FINANCIAL STATEMENT FINDING: 2025-01 8

The District's control procedures over IT systems and data were not sufficient, which increases the risk that the District may not adequately protect those systems and data

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

FEDERAL AWARD FINDING: 2025-101 10

The District did not timely report required student information to the federal agency, risking students not being asked to repay financial assistance

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

DISTRICT RESPONSE AND CORRECTIVE ACTION PLAN

REPORT ISSUED SEPARATELY

Annual Financial Report



**ARIZONA
AUDITOR
GENERAL**

Lindsey A. Perry, Auditor General

Independent auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of basic financial statements performed in accordance with *Government Auditing Standards*

Members of the Arizona State Legislature

The Governing Board of
Graham County Community College District

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the U.S. Comptroller General, the financial statements of the business-type activities and discretely presented component unit of Graham County Community College District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 30, 2026. Our report includes a reference to other auditors who audited the financial statements of the Eastern Arizona College Foundation, the discretely presented component unit, as described in our report on the District's financial statements. The Foundation's financial statements were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Foundation.

Report on internal control over financial reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's basic financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-01, that we consider to be a significant deficiency.

Report on compliance and other matters

As part of obtaining reasonable assurance about whether the District's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 or other matters that are required to be reported under *Government Auditing Standards*.

District response to findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the findings identified in our audit that are presented in its corrective action plan at the end of this report. The District is responsible for preparing a corrective action plan to address each finding. The District's responses and corrective action plan were not subjected to the other auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

Purpose of this report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Lindsey A. Perry
Lindsey A. Perry, CPA, CFE
Auditor General

March 30, 2026



**ARIZONA
AUDITOR
GENERAL**

Lindsey A. Perry, Auditor General

Independent auditors' report on compliance for each major federal program; report on internal control over compliance; and report on schedule of expenditures of federal awards required by the Uniform Guidance

Members of the Arizona State Legislature

The Governing Board of
Graham County Community College District

Report on compliance for each major federal program

Opinion on each major federal program

We have audited Graham County Community College District's compliance with the types of compliance requirements identified as subject to audit in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for opinion on each major federal program

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 U.S. Comptroller General, and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the auditors' responsibilities for the audit of compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Management's responsibilities for compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditors' responsibilities for the audit of compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with U.S. generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- ▶ Exercise professional judgment and maintain professional skepticism throughout the audit.
- ▶ Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- ▶ Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, we express no such opinion.

We are required to communicate with those charged with governance regarding, among other matters, the audit's planned scope and timing and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other matters

The results of our auditing procedures disclosed an instance of noncompliance that is required to be reported in accordance with the Uniform Guidance and that is described in the accompanying schedule of findings and questioned costs as item 2025-101. Our opinion on each major federal program is not modified with respect to this matter.

Report on internal control over compliance

Our consideration of internal control over compliance was for the limited purpose described in the auditors' responsibilities for the audit of compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-101 to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

District response to finding

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the noncompliance and internal control over compliance findings that are presented in its corrective action plan at the end of this report. The District is responsible for preparing a corrective action plan to address each finding. The District's responses and corrective action plan were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on them.

Report on schedule of expenditures of federal awards required by the Uniform Guidance

We have audited the financial statements of the District's business-type activities and discretely presented component unit as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated March 30, 2026, that contained unmodified opinions on those financial statements. Our report also included a reference to our reliance on other auditors. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of the District's management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Lindsey A. Perry
Lindsey A. Perry, CPA, CFE
Auditor General

March 30, 2026

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Summary of auditors' results

Financial statements

Type of auditors' report issued on whether the financial statements audited were prepared in accordance with U.S. generally accepted accounting principles Unmodified

Is a going concern emphasis-of-matter paragraph included in the auditors' report? No

Internal control over financial reporting

Material weaknesses identified? No

Significant deficiencies identified? Yes

Noncompliance material to the financial statements noted? No

Federal awards

Internal control over major federal program(s)

Material weaknesses identified? Yes

Significant deficiencies identified? None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516(a)? Yes

Identification of major federal program(s) and types of auditors' reports issued on compliance

Assistance Listings number(s)	Name of federal program or cluster	Auditors' report type
84.007, 84.033, 84.063	Student Financial Assistance Cluster	 Unmodified

Dollar threshold used to distinguish between Type A and Type B programs \$750,000

Auditee qualified as low-risk auditee? No

The District's control procedures over IT systems and data were not sufficient, which increases the risk that the District may not adequately protect those systems and data

Condition

The District's control procedures were not sufficiently developed, documented, and implemented to respond to risks associated with its information technology (IT) systems and data.

The District lacked sufficient procedures over the following:

▶ **Restricting access**

Procedures did not consistently help prevent or detect unauthorized or inappropriate access to its IT systems and data.

▶ **Securing systems and data**

IT security policies and procedures lacked controls to prevent unauthorized or inappropriate access or use, manipulation, damage, or loss.

Effect

There is an increased risk that the District may not adequately protect its IT systems and data, which could result in unauthorized or inappropriate access and/or the loss of confidentiality or integrity of systems and data.

Cause

The District's administration and IT management reported that they transitioned to a new accounting system during fiscal year 2025 and did not fully develop, document, and implement processes over its access controls and vendor management because of time constraints.

Criteria

Implementing effective internal controls that follow a credible industry source, such as the National Institute of Standards and Technology, help the District to protect its IT systems and ensure the integrity and accuracy of the data it maintains as it seeks to achieve its financial reporting, compliance, and operational objectives.¹

¹ The U.S. Department of Education (ED) requires the District to comply with the Gramm-Leach-Bliley Act (Pub. L. No. 106-102) in their student financial assistance program participation agreement with ED. The Act's "Safeguards Rule" requires institutions of higher education to safeguard sensitive student data in accordance with 16 Code of Federal Regulations, Parts 313 and 314.

Effective internal controls include the following:

▶ **Restrict access through logical access controls**

Help to ensure systems and data are accessed by users who have a need, systems and data access granted is appropriate, and key systems and data access is monitored and reviewed.

▶ **Secure systems and data through IT security internal control policies and procedures**

Help prevent, detect, and respond to instances of unauthorized or inappropriate access or use, manipulation, damage, or loss to its IT systems and data.

Recommendations to the District

1. Make it a priority to develop and document IT policies and procedures over restricting access and data and vendor management and develop a process to ensure the procedures are being consistently followed.

Restrict access

To restrict access to its IT systems and data, develop, document, and implement processes to:

2. Assign and periodically review employee user access, ensuring appropriateness and compatibility with job responsibilities.
3. Remove terminated employees' access to IT systems and data.
4. Enhance authentication requirements for IT systems.

Secure systems and data

To secure IT systems and data, develop, document, and implement processes to:

5. Ensure awarding and subsequent monitoring of IT vendor contracts is adequately conducted to ensure vendor qualifications and adherence to the vendor contract.

Views of responsible officials

District management concurs with this finding. The District's corrective action plan at the end of this report includes the views and planned corrective action of its responsible officials regarding these recommendations. We are not required to audit and have not audited these responses and planned corrective actions and therefore provide no assurances as to their accuracy.

The District did not timely report required student information to the federal agency, risking students not being asked to repay financial assistance

Cluster name: Student Financial Assistance Cluster

Assistance Listings number(s) and name(s):

84.007 Federal Supplemental Educational Opportunity Grants

84.033 Federal Work-Study Program

84.063 Federal Pell Grant Program

Award year(s):

July 1, 2024 through June 30, 2025

Federal agency: U.S. Department of Education

Compliance requirement: Special tests and provisions

Questioned costs: None

Condition

Contrary to federal regulations and District policies and procedures, the District's Financial Aid and Veteran Services Department (Department) did not timely report enrollment status changes to the National Student Loan Data System (NSLDS) as required. Specifically, the Department reported student enrollment status changes between 4 to 237 days later than the required 60 days for 19 of 35 students we tested participating in the Federal Pell Grant (Pell) program.

Effect

The District's students may not be asked to repay student financial assistance grants or loans if or when required if the NSLDS does not accurately reflect students' enrollment status. Also, the District is at risk that student enrollment status changes may be reported late for its over 1,000 students receiving federal Pell grants.

Cause

The District's management reported that they transitioned to a new student information system in February 2025 and had issues syncing registrar information to the students receiving financial assistance to submit timely student enrollment status changes to the NSLDS. Further, the District did not update its policies to describe process changes due to the system's implementation and did not assign a designated individual to verify that data was properly processed and reported to the NSLDS.

Criteria

Federal regulations and District policies and procedures require reporting to the NSLDS all applicable students' enrollment statuses and any enrollment status changes for the Pell program within 60 days of the students' change. Student enrollment status changes include reductions or increases in attendance levels, withdrawals, graduations, or approved leaves of absence (34 Code of Federal Regulations [CFR] §690.83[b][2] and District's Enrollment Reporting Process). Further, federal guidelines require establishing and maintaining effective internal control over federal awards that provides reasonable assurance that federal programs are being managed in compliance with all applicable laws, regulations, and award terms (2 CFR §200.303).

Recommendations to the District

1. Report accurate student enrollment statuses and changes to the NSLDS within 60 days of the students' change for all students receiving Pell.
2. Update its enrollment reporting policies and procedures and train employees on new processes due to the implementation of the new student information system, including properly syncing registrar information to the students receiving financial assistance to submit timely student enrollment status changes to the NSLDS.
3. Designate an individual to verify that data was properly processed and reported to the NSLDS.

Views of responsible officials

District management concurs with this finding. The District's corrective action plan at the end of this report includes the views and planned corrective action of its responsible officials regarding these recommendations. We are not required to audit and have not audited these responses and planned corrective actions and therefore provide no assurances as to their accuracy.

The District prepared the subsequent pages of this document.

Schedule of expenditures of federal awards and related notes

This schedule includes the District's federal grant activity for the fiscal year and the related notes, which are an integral part of the schedule and describe the significant accounting policies used in preparing the schedule and other disclosures as required by 2 Code of Federal Regulations (CFR) §200.510(b).

The results of our auditing procedures on this schedule are described in the independent auditors' report on compliance for each major federal program; report on internal control over compliance; and report on schedule of expenditures of federal awards required by the Uniform Guidance.

District response and corrective action plan

The District response and corrective action plan includes the District's response to each finding identified in our audit, including the District's corrective action plan and anticipated completion date to implement our audit finding recommendations, as required by 2 CFR §200.511(c).

We are not required to audit and have not audited these responses and planned corrective actions and therefore provide no assurances as to their accuracy.

Graham County Community College District
(Eastern Arizona College)
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

<i>Federal Agency/ Assistance Listings Number</i>	<i>Federal program name</i>	<i>Additional Award Identification</i>	<i>Cluster title</i>	<i>Pass-through grantor</i>	<i>Pass-through grantor's number</i>	<i>Program expenditures</i>
Department of Treasury						
21 027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds	COVID-19		Arizona Department of Health Services	CTR064104	\$ 350,004
State Library						
45 310	Grants to States			Arizona State Library	2024-0260-03	17,825
Small Business Administration						
59 037	Small Business Development Centers			Maricopa County Community College District	SBAOEDB240114	136,324
Department of Education						
84 007	Federal Supplemental Educational Opportunity Grants		Student Financial Assistance Cluster			103,578
84 033	Federal Work-Study Program		Student Financial Assistance Cluster			227,976
84 063	Federal Pell Grant Program		Student Financial Assistance Cluster			4,877,362
Total Student Financial Assistance Cluster						5,208,916
84 031	Higher Education Institutional Aid	84.031F				48,606
84 048	<i>Career and Technical Education—Basic Grants to States</i>			Arizona Department of Education	21FCTDBG-112241-20A	262,172
84 116	<i>Funds for Improvemnt of Postsecondary Education</i>	84.116T		Yavapai College	P116T210013	81,370
84 116	Funds for Improvemnt of Postsecondary Education	84.116W				452,540
Total Funds for Improvement of Postsecondary Education						533,910
84 334	Gaining Early Awareness and Readiness for Undergraduate Programs	84.334A				397,067
Total Department of Education						6,450,671
Total Expenditures of Federal Awards						\$ 6,954,824

Please Note:
Italicized award lines indicate pass-through funding.

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of the schedule.

Graham County Community College District
(Eastern Arizona College)
Notes to schedule of expenditures of federal awards
Year Ended June 30, 2025

Note 1 – Basis of presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Graham County Community College District for the year ended June 30, 2025. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Note 2 – Summary of significant accounting policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Note 3 – Federal Assistance Listings number

The program titles and Federal Assistance Listings numbers were obtained from the federal or pass-through grantor or the 2025 Federal Assistance Listings.

Note 4 – Indirect cost rate

The District did not elect to use the 15 percent de minimis indirect cost rate as covered in 2 CFR §200.414.



EASTERN ARIZONA COLLEGE

March 20, 2026

Lindsey A. Perry
Arizona Auditor General
2910 N. 44th St., Ste. 410
Phoenix, AZ 85018

Dear Ms. Perry:

We have prepared the accompanying corrective action plan as required by the standards applicable to financial audits contained in *Government Auditing Standards* and by the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Specifically, for each finding, we are providing you with our responsible officials' views, the names of the contact people responsible for corrective action, the corrective action planned, and the anticipated completion date.

Sincerely,

Troy Ainsworth, MBA
Director, Fiscal Control

Graham County Community College District
Corrective action plan
Year ended June 30, 2025

Financial Statement Findings

2025-01

The District's control procedures over IT systems and data were not sufficient, which increases the risk that the District may not adequately protect those systems and data.

Contact: Thomas Thompson, Chief Information Officer

Anticipated completion date: June 30, 2026

Corrective Action Plan:

The District will prioritize the development and formal documentation of IT policies and procedures addressing logical access controls, system security, and vendor management. These policies will align with recognized industry standards and will include processes to ensure consistent implementation and compliance.

- a) User access assignment and review
- b) Timely removal of access
- c) Enhance verification of assignment through available and to-be-developed reporting tools
- d) The District will review and enhance formal procedures for evaluating, awarding, and monitoring IT vendor contracts. This will include documenting vendor qualifications, defining security expectations in contracts, and performing periodic reviews to ensure vendors comply with contractual and security requirements.
- e) Management will implement supervisory review controls to ensure adherence to IT policies and procedures.

Federal Award Findings

2025-101

The District did not timely report required student information to the federal agency, risking students not being asked to repay financial assistance.

Contact: Sharon Montoya, Director, Financial Aid & Veteran Services

Anticipated completion date: June 30, 2026

Corrective Action Plan:

The District will implement procedures to ensure all student enrollment status changes are reported to the National Student Loan Data System (NSLDS) within the required 60-day timeframe. This includes establishing a standardized reporting schedule and utilizing system-generated reports to monitor pending status changes.

- a) Assign monitoring and oversight responsibilities in the Financial Aid department
- b) Implement ongoing monitoring control within the Financial Aid department
- c) Monthly inquiring into the Financial Aid department process by Fiscal Control