Coconino Association for Vocations, Industry and Technology

36-Month Followup of Performance Audit Report 23-202

The June 2023 Coconino Association for Vocations, Industry and Technology performance audit found that the District did not take timely disciplinary action for repeated credit card misuse, lacked key outcome data demonstrating how the $1.9 million it spent in fiscal year 2021 effectively prepared students for high-need occupations, and put sensitive information at risk by not complying with important IT requirements and standards. We made **9** recommendations to the District.

District's status in implementing 9 recommendations

Implementation status	Number of recommendations
☑ Implemented	9 recommendations

Unless otherwise directed by the Joint Legislative Audit Committee, this report concludes our followup work on the District's efforts to implement the recommendations from the June 2023 report.

Recommendations to the District

Finding 1: During a nearly 4-year period, former coordinator and their family member used District credit card for numerous personal purchases while superintendent did not take timely disciplinary actions

1. The District should ensure its employees comply with District policies and USFR requirements by enforcing existing District policies and cardholder agreements for District card usage. Actions the District should take include disallowing personal purchases, and taking timely, appropriate disciplinary action for noncompliance with card policies, such as recovering public monies; revoking card privileges; and termination.

- Status: **Implemented at 36 months.**

  In May 2024, the District's Governing Board (Board) reviewed and approved updated credit card procedures that disallow personal purchases and include disciplinary actions for employees' noncompliance. Our July 2026 review found that the District ensured its employees consistently complied with the District credit card policies and USFR requirements. Specifically, we reviewed all 12 District credit card purchases on the District's April and May 2026 credit card statements and found that all employees who made the purchases prepared a requisition and received prior approval for the purchases as required by the District's policies and procedures. Additionally, we found that the District and its Board reviewed all 12 credit card purchases for appropriateness, and the District reported it did not identify any personal purchases made by its employees. Our review of the April and May 2026 monthly expense reports provided to the Board for approval in a public meeting showed that the District provided its Board with information on the credit card purchases made each month. Further, the District reported that it provided its Board with supporting documentation for each purchase, including purchase requisitions, to allow the Board to review each purchase's appropriateness. We did not identify any transactions that appeared to be improper or for personal purposes.

2. The District should ensure its employees comply with District policies and USFR requirements by continuing to implement and adhere to the credit card procedures the Board reviewed and approved in December 2022.

- Status: **Implemented at 36 months.**

  As stated in recommendation 1, the District improved its use and oversight of credit cards. Our review of April and May 2026 credit card purchases found that District staff consistently followed the District's Board-approved credit card procedures. Additionally, the District provided training to its staff on the District's credit card procedures in June 2026.

3. The District should ensure its employees comply with District policies and USFR requirements by developing and providing periodic training to its employees on District card policies and procedures, USFR requirements, and the appropriate disciplinary actions to be taken when improper use is identified.

- Status: **Implemented at 36 months.**

  As reported in our prior 24-month followup, in June 2024 and June 2025, the District provided training to its employees on District credit card policies and procedures, including the disciplinary actions the District may take when it identifies improper card use. Additionally, as explained in recommendation 2, the District provided the training to its employees in June 2026. As discussed in recommendations 1 and 2, our review of all 12 District credit card purchases on the District's April and May 2026 credit card statements found that District cardholders consistently followed the District's Board-approved policies and procedures.

Finding 2: District's lack of key outcome data prevents it from demonstrating how the $1.9 million it spent on programs in fiscal year 2021 effectively prepared students for high-need occupations

4. The District should develop and implement consistent data collection protocols for all central and satellite career and technical education (CTE) programs. This includes collecting and validating complete data, such as data related to student certifications earned and job placements, as well as developing a process to track all outcome data as required by A.R.S. §§15-781, 15-391,15-393(L)(10)(b), and the *Quality and Compliance Monitoring Document*.

- Status: **Implemented at 36 months.**

  As reported in our prior 24-month followup, the District has continued to host biannual meetings with member district staff to share techniques and best practices for outcome data collection and reporting. Additionally, the District reported that it continues to meet with each member district to evaluate progress in tracking relevant or required CTE program outcome data, such as post-graduation job placement and certification attainment data. The District also continues to require its member districts to provide written confirmation that the outcome data each member district reported to the District is accurate and complete. Since the prior 24-month followup, the District developed and implemented a data-collection and validation schedule to ensure its member districts consistently collect and report outcome data. Further, the schedule outlines data validation protocols for District staff, including verifying student certifications earned and job placements, which helps ensure member district data is accurate and complete. The District's data-validation protocols require the District to validate a sample of data collected from its central and satellite programs.

  At the time of our followup review in July 2026, we reviewed the District's most recent validated outcome data for fiscal year 2025. We found that the District's data generally appeared to be accurate and reliable. Specifically, we requested supporting documentation for a random sample of 26 credentials that the District reported its students earned in fiscal year 2025 and found the District maintained supporting documentation for all 26 certifications we reviewed. Further, to validate job-placement data, the District randomly selected 45 students and reported that 11 students were placed in jobs related to their CTE programs. We reviewed these 11 students' placement surveys and found that all 11 surveys reasonably supported that the students were using program skills in their positions. Additionally, the District appeared to accurately report the outcome data it collected to the Arizona Department of Education.

5. The District should analyze central and satellite 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.

- Status: **Implemented at 36 months.**

As stated in recommendation 4, the District and its member districts have collected data related to student certifications and post-graduation jobs obtained and implemented a data-validation process to ensure the CTE program outcome data is accurate and complete. District officials reported they evaluate each CTE program's effectiveness by assessing the most current data available such as technical skills assessment scores, certifications earned, and job-placement data. During the District's June 2026 Board meeting, District officials discussed their review of specific member districts' CTE program outcome data, including student placement, certifications, and technical skills assessments. Officials reported that, based on their review, these CTE programs were effectively preparing students for employment and post-secondary opportunities. The District's approach for evaluating its central and satellite CTE programs using the outcome data it collects appears reasonable and should help it determine whether its CTE programs are meeting their statutory purpose to prepare students for high-need occupations.

Finding 3: District emailed unencrypted, sensitive information, and employees improperly shared login credentials, which were then stored in an unprotected document, increasing the risk of security breaches and fraud

6. The District should determine what type of information being shared with its accounting and business operations vendor is sensitive, personally identifiable information and should ensure that it only shares this information through secure means, such as through encrypted emails.

- Status: **Implemented at 6 months.**

In November 2023, the District's Board reviewed and approved data policies and procedures that identified what type of information being shared with its accounting and business operations vendor was sensitive, personally identifiable information. Additionally, according to the District's policy, sensitive information can no longer be shared through email and must be shared through secure means. Based on our review of the District's processes for data sharing, the District has implemented systems to securely share sensitive, personally identifiable information.

7. The District should continue developing and implementing written policies and procedures for securing sensitive, personally identifiable information to be shared with its accounting and business operations vendor to reduce the risk of unauthorized access to sensitive information or a security breach.

- Status: **Implemented at 6 months.**

  As stated in recommendation 6, the District's Board reviewed and approved data policies and procedures in November 2023 that identified sensitive, personally identifiable information and required District staff to share sensitive, personally identifiable information with its accounting and business operations vendor only through secure means.

8. The District should identify District accounts with access to sensitive information, immediately reset passwords for the accounts, and keep the password credentials confidential.

- Status: **Implemented at 6 months.**

  The District identified District accounts with access to sensitive information and required the associated account users to reset their passwords. Additionally, District officials reported that the District has kept the password credentials confidential by deleting the unprotected password computer document in November 2022 and by prohibiting password sharing, as stated in the District's Board-approved data policies and procedures.

9. The District should discontinue its practices of requiring employees to share passwords with the business office and storing passwords in an unprotected computer document, and should instead use more secure alternatives, such as creating administrator accounts, which could be used to reset terminated employee passwords when needed.

- Status: **Implemented at 6 months.**

  As discussed in recommendation 8, the District discontinued its practices of requiring employees to share passwords with the business office and deleted the unprotected password computer document in November 2022. Additionally, the District created system administrator accounts to enable designated staff to perform administrative duties within the District's systems. Based on our review of the District's system administrators, the District assigned administrator-level access consistent with credible industry standards.