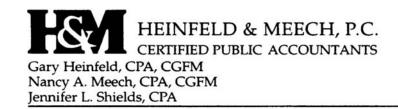
COCONINO COUNTY
COMMUNITY COLLEGE DISTRICT
(COCONINO COMMUNITY COLLEGE)
SINGLE AUDIT REPORTING PACKAGE
FOR THE YEAR ENDED JUNE 30, 2001

# COCONINO COUNTY COMMUNITY COLLEGE DISTRICT (COCONINO COMMUNITY COLLEGE) SINGLE AUDIT REPORTING PACKAGE FOR THE YEAR ENDED JUNE 30, 2001

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## 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 financial statements of Coconino County Community College District as of and for the year ended June 30, 2001, and have issued our report thereon dated September 28, 2001, which was modified as to consistency because of a change in the capitalization threshold for property, buildings and equipment. 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 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 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*.

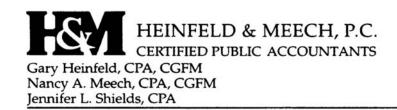
#### Internal Control Over Financial Reporting

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 financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting 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 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 the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted one other matter involving the internal control over financial reporting that we have reported to the District's management in a separate letter dated September 28, 2001.

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. It 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, P.C. Certified Public Accountants

September 28, 2001



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## 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 of 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 each of its major federal programs for the year ended June 30, 2001. The District's major federal programs are 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 each of its major federal programs 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 each of its major federal programs for the year ended June 30, 2001.

#### <u>Internal Control Over Compliance</u>

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 the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the 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 the 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 financial statements as of and for the year ended June 30, 2001, and have issued our report thereon dated September 28, 2001, which was modified as to consistency because of a change in the capitalization threshold for property, buildings and equipment. Our audit was performed for the purpose of forming an opinion on the 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the 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. It 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, P.C. Certified Public Accountants

September 28, 2001

### COCONINO COUNTY COMMUNITY COLLEGE DISTRICT (COCONINO COMMUNITY COLLEGE) SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2001

Federal Grantor/Pass-Through <u>Grantor/Program Title</u>	CFDA <u>Number</u>	Pass-Through Grantor's <u>Number</u>	<u>Ex</u> p	oenditures		
U.S. Department of Education						
Direct Programs:						
Title III - Strengthening Institutions	84.031A	N/A	\$	350,502		
Student Financial Assistance Cluster:						
Supplemental Educational Opportunity Grants	84.007	N/A		153,487		
Work-Study Program	84.033	N/A		97,819		
Pell Grant Program	84.063	N/A		899,614		
Total Student Financial Assistance Cluster				1,501,422		
Passed through Arizona State Board of Directors for Commun	ity Colleges:					
Vocational Education - Basic Grants to State	84.048	30102		135,348		
Vocational Education - Tech Prep	84.243	10102		121,316		
Passed through Arizona Department of Education:						
Vocational Education - Tech Prep	84.243	00FVEDTP-070545-01A		3,174		
Vocational Education - Tech Prep	84.243	01FVEDTP-170545-01A		25,000		
Passed through Arizona Commission for Postsecondary Education:						
State Student Incentive Grant	84.069	86-6004791		32,011		
Total U.S. Department of Education				1,818,271		
Small Business Administration						
Passed through Maricopa County Community College District	•					
Small Business Development Center	59.037	0-7620-0003-8		41,998		
		01-7620-0003-9		37,222		
<b>Total Expenditures of Federal Awards</b>			\$	1,897,491		

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, 2001

#### **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*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

#### 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 2001 *Catalog of Federal Domestic Assistance*.

## COCONINO COUNTY COMMUNITY COLLEGE DISTRICT (COCONINO COMMUNITY COLLEGE) SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2001

## SECTION I-SUMMARY OF AUDITORS' RESULTS

Financial Statements					
Type of auditors' report issued:		<u>Unqu</u>	alified		
Internal control over financial repor	_				
Material weakness(es) idea		yes	X	no	
Reportable condition(s) id			••		
not considered to be mate	erial weakness(es)?	yes	<u> X</u>	none reported	
Noncompliance material to financial statements noted?		yes	X	no	
<u>Federal Awards</u>					
Internal control over major program					
Material weakness(es) identified?		yes	X	no	
Reportable condition(s) id					
not considered to be mate	erial weakness(es)?	yes	X	none reported	
Type of auditors' report issued on c	ompliance				
for major programs:		<u>Unqu</u>	<u>Unqualified</u>		
Any audit findings disclosed that ar in accordance with Circular A-13. Identification of major programs: CFDA Numbers	-	yes	X	no	
	Student Financial A	ssistance Cluster	•		
84.007	Supplemental Educational Opportunity Grants				
84.033	Work-Study Program				
84.063	Pell Grant Program				
84.031A	Title III – Strengthening Institutions				
Dollar threshold used to distinguish and Type B programs:	between Type A	\$ <u>300,000</u>			
Auditee qualified as low-risk audite	e?	yes		no	
Other Matters					
Auditee's summary schedule of price required to be reported in accord Circular A-133 (Section .315[b])	ance with	yes	X	no	

## COCONINO COUNTY COMMUNITY COLLEGE DISTRICT (COCONINO COMMUNITY COLLEGE) SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2001

#### **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*, Chapter 5, paragraph 18.

#### 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.

## COCONINO COUNTY COMMUNITY COLLEGE DISTRICT (COCONINO COMMUNITY COLLEGE) SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS YEAR ENDED JUNE 30, 2001

## STATUS OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

The District had no findings or questioned costs related to federal awards noted in prior audits that require a status report.