COCONINO COUNTY
COMMUNITY COLLEGE DISTRICT
(COCONINO COMMUNITY COLLEGE)
SINGLE AUDIT REPORTING PACKAGE
FOR YEAR ENDED JUNE 30, 2003
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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 basic financial statements of Coconino County Community College District as of and for the year ended June 30, 2003, and have issued our report thereon dated October 7, 2003. 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 basic 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 basic 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. However, we noted a certain immaterial instance of noncompliance that we have reported to the District’s management in a separate letter dated October 7, 2003.

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 basic financial statements and not to provide assurance on internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all matters in 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 misstatements in amounts that would be material in relation to the basic 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 internal control over financial reporting and its operation that we consider to be material weaknesses.
This report is intended solely for the information and use of the Arizona State Legislature, the Auditor General of the State of Arizona, the Governing Board, federal awarding agencies and pass-through entities and 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 & CO., P.C.
Certified Public Accountants

October 7, 2003
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
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 its major federal program for the year ended June 30, 2003. The District’s major federal program is 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 its major federal program 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 its major federal program for the year ended June 30, 2003.
Internal Control Over Compliance
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 internal control over compliance in accordance with OMB
Circular A-133.

Our consideration of internal control over compliance would not necessarily disclose all matters in
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 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 basic financial statements as of and for the year ended June 30, 2003,
and have issued our report thereon dated October 7, 2003. Our audit was performed for the purpose
of forming an opinion on the basic 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 basic financial statements. Such
information has been subjected to the auditing procedures applied in the audit of the basic financial
statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic
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 and 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 & CO., P.C.
Certified Public Accountants

October 7, 2003
COCONINO COUNTY COMMUNITY COLLEGE DISTRICT  
(COCONINO COMMUNITY COLLEGE)  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2003

### Federal Grantor/Pass-Through

<table>
<thead>
<tr>
<th>Grantor/Program Title</th>
<th>CFDA Number</th>
<th>Pass-Through Grantor's Number</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>U.S. Department of Education</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct Programs:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Title III - Strengthening Institutions</td>
<td>84.031A</td>
<td>N/A</td>
<td>$ 387,413</td>
</tr>
<tr>
<td>Student Financial Assistance Cluster:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supplemental Educational Opportunity Grants</td>
<td>84.007</td>
<td>N/A</td>
<td>175,612</td>
</tr>
<tr>
<td>Work-Study Program</td>
<td>84.033</td>
<td>N/A</td>
<td>77,382</td>
</tr>
<tr>
<td>Pell Grant Program</td>
<td>84.063</td>
<td>N/A</td>
<td>1,115,938</td>
</tr>
<tr>
<td>Total Student Financial Assistance Cluster</td>
<td></td>
<td></td>
<td>1,368,932</td>
</tr>
<tr>
<td>Passed through Arizona State Board of Directors for Community Colleges:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vocational Education - Basic Grants to State</td>
<td>84.048</td>
<td>30302</td>
<td>180,902</td>
</tr>
<tr>
<td>Passed through Arizona Department of Education:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vocational Education - Tech Prep</td>
<td>84.243</td>
<td>03FCTDTP-370545-01A</td>
<td>121,113</td>
</tr>
<tr>
<td>Passed through Arizona Commission for Postsecondary Education:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Student Incentive Grant</td>
<td>84.069</td>
<td>86-6004791</td>
<td>25,116</td>
</tr>
<tr>
<td><strong>Total U.S. Department of Education</strong></td>
<td></td>
<td></td>
<td>2,083,476</td>
</tr>
</tbody>
</table>

**Small Business Administration**

Passed through Maricopa County Community College District:

<table>
<thead>
<tr>
<th>Grantor/Program Title</th>
<th>CFDA Number</th>
<th>Grantor's Number</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Business Development Center</td>
<td>59.037</td>
<td>3-603001-Z-0003-11</td>
<td>76,997</td>
</tr>
</tbody>
</table>

Total Expenditures of Federal Awards $ 2,160,473

See accompanying notes to schedule.
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.

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 2003 Catalog of Federal Domestic Assistance.
SECTION I - SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued: Unqualified

Internal control over financial reporting:
- Material weakness(es) identified? yes X no
- Reportable condition(s) identified not considered to be a material weakness(es)? yes X none reported
- Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:
- Material weakness(es) identified? yes X no
- Reportable condition(s) identified not considered to be a material weakness(es)? yes X none reported

Type of auditors’ report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)? yes X no

Identification of major programs:

<table>
<thead>
<tr>
<th>CFDA Numbers</th>
<th>Name of Federal Program or Cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>84.007</td>
<td>Supplemental Educational Opportunity Grants</td>
</tr>
<tr>
<td>84.033</td>
<td>Work-Study Program</td>
</tr>
<tr>
<td>84.063</td>
<td>Pell Grant Program</td>
</tr>
</tbody>
</table>

Dollar threshold used to distinguish between Type A and Type B programs: $300,000

Auditee qualified as low-risk auditee? X yes no

Other Matters

Auditee’s Summary Schedule of Prior Audit Findings required to be reported in accordance with Circular A-133 (section .315[b])? yes X no
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.

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.