

## Navajo County Community College District Annual financial statement and compliance audits

The District's fiscal year 2024 reported financial information is reliable. However, the District's auditors reported deficiencies over financial reporting, summarized on the next page.<sup>1</sup>

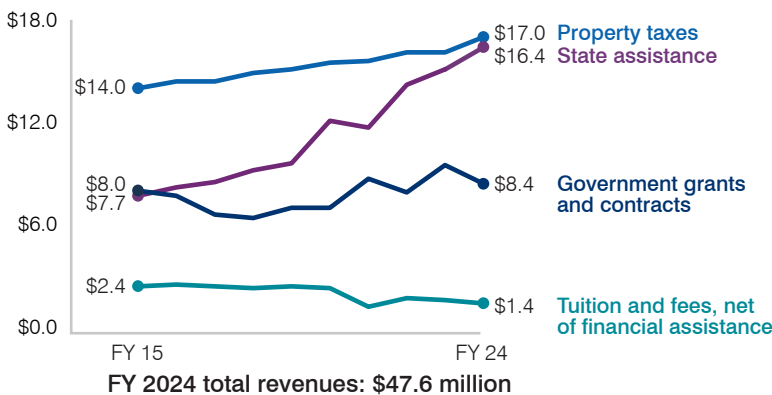
### Audits' purpose

To express 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.

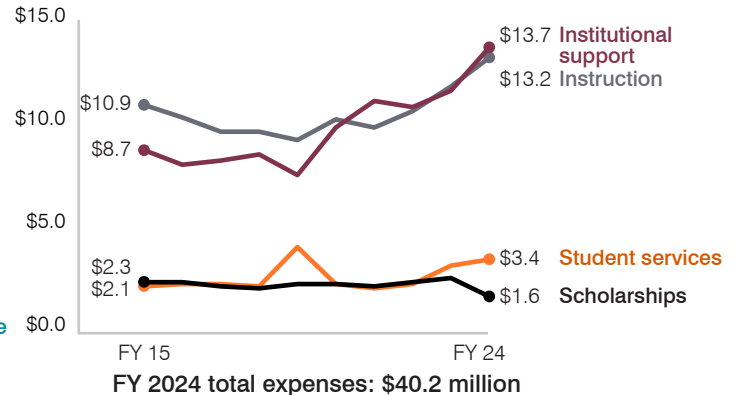
### Primary revenue sources and how they were spent

Fiscal years (FY) 2015 through 2024  
(In millions)

#### Primary revenue sources



#### Primary expense purposes



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

### Largest primary revenue sources FY 2024

- **Property taxes 35.7%**—Levied and collected from property owners based on the assessed value of real and personal property within Navajo County.
- **State assistance 34.4%**—Includes State appropriations for general operations and maintenance, science/technology and workforce programs, equalization aid, and the District's share of State sales taxes.

### Largest primary expense purposes FY 2024

- **Institutional support 34.1%**—Costs for District-wide planning and administrative support, including executive management, general and fiscal operations, information technology, and public relations/development.
- **Instruction 33.0%**—Costs to provide instruction for all sessions and online learning, including instruction for general academics, vocational/technical programs, and community education.

### District's net position increased in FY 2024

District revenues were \$7.4 million greater than its expenses, increasing total net position to \$128.6 million at June 30, 2024. Net position includes all assets, such as buildings, vehicles, and cash and investments, less all liabilities, such as unpaid pension and other payroll obligations and accounts payable. Of the total net position, \$51.2 million is restricted by external parties or is not in spendable form, and the remaining \$77.4 million is unrestricted

<sup>1</sup> The certified public accounting firm CliftonLarsonAllen LLP conducted these audits under contract with the Arizona Auditor General in accordance with Arizona Revised Statutes §41-1279.21.

## Auditor findings and recommendations

Summarized below are the District's auditors' 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:

- Continue to develop and update policies and procedures over information technology (IT). The District's auditors noted that the District does not have comprehensive IT policies and procedures over logical access, change and configuration management, contingency planning, and security of significant systems and data. Not having robust IT policies and procedures results in a heightened risk of security breaches and potential loss of District data. Similar findings were reported in prior years.

## Auditor General website report links

- The June 30, 2024, Navajo County Community College District Annual Comprehensive Financial Report and Single Audit Report that are summarized in these highlights can be found at this [link](#). These reports should be read to fully understand the District's overall financial picture and the District's auditors' reporting responsibilities.
- The District's reports from prior years are available at this [link](#).
- For help in understanding important information presented in these reports, please refer to our user guides at the following links:
  - [Financial Report User Guide for Colleges and Universities](#).
  - [Internal Control and Compliance Reports User Guide](#).