

Cochise County Community College District Annual financial statement and compliance audits

The District's fiscal year 2024 reported financial information is reliable. However, we reported deficiencies over financial reporting, summarized on the next page.

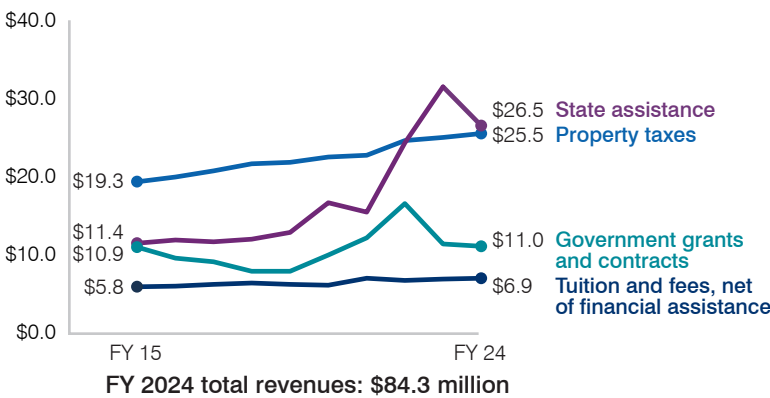
Audits' purpose

To express our 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.

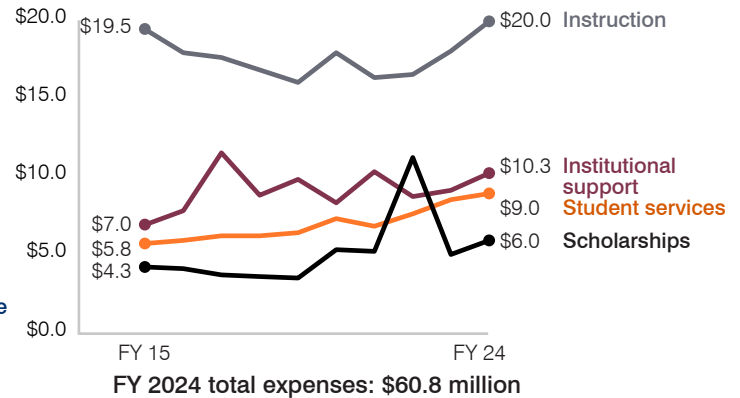
Primary revenue sources and how they were spent

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

- **State assistance 31.4%**—Includes State appropriations for general operations and maintenance, science/technology and workforce programs, equalization aid, and the District's share of State sales taxes.
- **Property taxes 30.2%**—Levied and collected from property owners based on the assessed value of real and personal property within Cochise County.

Largest primary expense purposes FY 2024

- **Instruction 32.9%**—Costs to provide instruction for all sessions and online learning, including instruction for general academics, vocational/technical programs, and community education.
- **Institutional support 16.9%**—Costs for District-wide planning and administrative support, including executive management, general and fiscal operations, information technology, and public relations/development.

District's net position increased in FY 2024

District revenues were \$23.5 million greater than its expenses, increasing its total net position to \$114.8 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, long-term debt, and accounts payable. Of the total net position, \$99.1 million is restricted by external parties or is not in spendable form, and the remaining \$15.7 million is unrestricted.

Auditor findings and recommendations

Summarized below are our findings and recommendations included in the District's [Report on Internal Control and on Compliance](#) where there is further information and the District's responses. The District needs to:

- Restrict investment account access to only authorized employees to safeguard public monies. This includes developing policies and procedures to periodically review and recertify access and immediately request and verify that the investing financial institutions remove all access for terminated employees. We found that the District did not immediately remove terminated employees' access to perform confidential banking actions for 2 investment accounts totaling over \$41.8 million, increasing the risk of fraud and misuse of public monies. After we brought this to the District's attention, they began to remove the terminated employees' access.
- Develop, document, and implement procedures for restricting access to its IT systems and data, and develop a process to ensure these procedures and existing IT security training policies are being consistently followed. We found that the District's procedures did not consistently help prevent or detect unauthorized or inappropriate access to its IT systems and data. We initially reported a similar finding in fiscal year 2017.

Auditor General website report links

- The June 30, 2024, Cochise County Community College District Annual Comprehensive Financial Report, Report on Internal Control and on Compliance, 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 our 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](#).