

# **Report on Internal Control and on Compliance Year Ended June 30, 2025**

## **Pima County Community College District**

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**Lindsey A. Perry**  
Auditor General

# Arizona Auditor General's mission

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The Arizona Auditor General's mission is to provide independent and impartial information, impactful recommendations, and stakeholder education to improve Arizona government for its citizens. To this end, the Office conducts financial statement audits and provides certain accounting services to the State and political subdivisions, investigates possible criminal violations involving public officials and public monies, and conducts performance audits and special reviews of school districts, State agencies, and the programs they administer.

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The Joint Legislative Audit Committee consists of 5 Senate members appointed by the Senate President and 5 House members appointed by the House Speaker. The Committee is responsible for overseeing the Office, including (1) overseeing all audit functions of the Legislature and State agencies, including sunset, performance, special, and financial audits; special research requests; and the preparation and introduction of legislation resulting from audit report findings; (2) requiring State agencies to comply with audit findings and recommendations; (3) receiving status reports regarding the progress of school districts to implement recommendations; and (4) scheduling hearings to review the status of State agencies and school districts.

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Senator **Flavio Bravo**

Senator **Tim Dunn**

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Representative **Michael Carbone**

Representative **Michele Peña**

Representative **Stephanie Stahl-Hamilton**

Representative **Betty Villegas**

Representative **Steve Montenegro** (ex officio)

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The District's control procedures over IT systems and data were not sufficient, which increases the risk that the District may not adequately protect those systems and data

## DISTRICT RESPONSE AND CORRECTIVE ACTION PLAN

### REPORT ISSUED SEPARATELY

Annual Comprehensive Financial Report



# ARIZONA AUDITOR GENERAL

Lindsey A. Perry, Auditor General

## **Independent auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of basic financial statements performed in accordance with *Government Auditing Standards***

Members of the Arizona State Legislature

The Governing Board of  
Pima County Community College District

We have audited, in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the U.S. Comptroller General, the financial statements of the business-type activities and discretely presented component unit of Pima County Community College District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 19, 2025. Our report includes a reference to other auditors who audited the financial statements of the Pima Community College Foundation, Inc., the discretely presented component unit, as described in our report on the District's financial statements. The Foundation's financial statements were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Foundation.

### **Report on internal control over financial reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's basic financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and recommendations as item 2025-01, that we consider to be a significant deficiency.

## **Report on compliance and other matters**

As part of obtaining reasonable assurance about whether the District's basic financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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 or other matters that are required to be reported under *Government Auditing Standards*.

## **District response to findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's responses to the findings identified in our audit that are presented in its corrective action plan at the end of this report. The District is responsible for preparing a corrective action plan to address each finding. The District's responses and corrective action plan were not subjected to the other auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

## **Purpose of this report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Lindsey A. Perry*

Lindsey A. Perry, CPA, CFE  
Auditor General

December 19, 2025

# SCHEDULE OF FINDINGS AND RECOMMENDATIONS

**The subsequent pages present the Arizona Auditor General's finding and recommendations resulting from our audit of the District's financial statements.**

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# FINANCIAL STATEMENT FINDING: 2025-01

## **The District's control procedures over IT systems and data were not sufficient, which increases the risk that the District may not adequately protect those systems and data**

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### **Condition**

The District's control procedures were not sufficiently developed, designed, and implemented to ensure all employees complete the District's required monthly security awareness trainings to help prevent unauthorized or inappropriate access or use, manipulation, damage, or loss to its information technology (IT) systems and data.

### **Effect**

There is an increased risk that the District may not adequately protect its IT systems and data, which could result in unauthorized or inappropriate access and/or the loss of confidentiality or integrity of systems and data.

### **Cause**

The District's IT management reported that its policies lacked consequences for employees who failed to complete the District's required monthly security awareness training.

### **Criteria**

Implementing effective internal controls that follow a credible industry source, such as the National Institute of Standards and Technology, help the District to protect its IT systems and ensure the integrity and accuracy of the data it maintains as it seeks to achieve its financial reporting, compliance, and operational objectives.<sup>1</sup> Effective internal controls include securing systems and data through IT security internal control policy and procedures that help prevent, detect, and respond to instances of unauthorized or inappropriate access or use, manipulation, damage, or loss to its IT systems and data.

### **Recommendations to the District**

1. Make it a priority to develop, document, and implement policies and procedures to ensure all employees complete the District's required monthly security awareness training by developing consequences for employees who fail to complete the training.

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<sup>1</sup> The U.S. Department of Education (ED) requires the District to comply with the Gramm-Leach-Bliley Act (Pub. L. No. 106-102) in their student financial assistance program participation agreement with ED. The Act's "Safeguards Rule" requires institutions of higher education to safeguard sensitive student data in accordance with 16 Code of Federal Regulations, Parts 313 and 314.

2. Provide all employees ongoing training on IT security risks and their responsibilities to ensure systems and data are protected.

## **Views of responsible officials**

The District's corrective action plan at the end of this report includes the views and planned corrective action of its responsible officials regarding these recommendations. We are not required to audit and have not audited these responses and planned corrective actions and therefore provide no assurances as to their accuracy.

# DISTRICT RESPONSE AND CORRECTIVE ACTION PLAN

**The subsequent pages were written by the District to provide a response to the finding and to indicate its intention regarding implementation of the recommendations resulting from the audit conducted by the Arizona Auditor General.**

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## Pima County Community College District

**District Office**

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for Finance*  
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January 29, 2026

Lindsey A. Perry  
Arizona Auditor General  
2910 N. 44th St., Ste. 410  
Phoenix, AZ 85018

Dear Ms. Perry:

We have prepared the accompanying corrective action plan as required by the standards applicable to financial audits, as set forth in Government Auditing Standards, and by the audit requirements of Title 2 of the U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Specifically, for the finding, we are providing you with the views of our responsible officials, the names of the contact people responsible for corrective action, the planned corrective action, and the anticipated completion date.

Sincerely,

David Bea, Ph.D.  
Executive Vice Chancellor for Finance and Administration

**Pima County Community College District  
Corrective Action Plan  
Year Ended June 30, 2025**

**Financial Statement Finding**

**Finding Number: 2025-01**

Contact Person: Isaac Abbs

Anticipated completion date: June 30, 2026

**Control procedures over IT systems:** The District is committed to maintaining a robust security awareness training program that requires all staff to participate in monthly micro-training. These trainings exceed the standards established by the Gramm-Leach-Bliley Act for safeguarding customer information.

To address the identified gap in enforcement regarding the timely completion of security awareness training, the District will implement a comprehensive plan that specifies both required and recommended training activities. This plan will clearly outline the training expectations and detail the consequences for non-compliance.

We are dedicated to formalizing these requirements and integrating them into our policy framework. The updated policy will be established and fully operational by June 30, 2026.

This proactive approach demonstrates the District's commitment to enhancing our security posture and ensuring accountability among staff regarding information security practices.