Pima County Community College District
(Pima College)

Single Audit Reporting Package

Year Ended June 30, 2010
# Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133</td>
<td>1</td>
</tr>
<tr>
<td>Schedule of Expenditures of Federal Awards</td>
<td>4</td>
</tr>
<tr>
<td>Notes to Schedule of Expenditures of Federal Awards</td>
<td>6</td>
</tr>
<tr>
<td>Schedule of Findings and Questioned Costs</td>
<td></td>
</tr>
<tr>
<td>Summary of Auditor's Results</td>
<td>7</td>
</tr>
<tr>
<td>Federal Award Findings and Questioned Costs</td>
<td>8</td>
</tr>
<tr>
<td>District Responses</td>
<td></td>
</tr>
<tr>
<td>Corrective Action Plan</td>
<td>13</td>
</tr>
<tr>
<td>Summary Schedule of Prior Audit Findings</td>
<td>16</td>
</tr>
</tbody>
</table>
Independent Auditor’s Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133

Board of Governors
Pima County Community College District
Tucson, Arizona

Compliance

We have audited Pima County Community College District’s compliance with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. The District’s major federal programs are identified in the Summary of Auditor’s 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 of the District’s compliance with those requirements.

As described in items 10-01, 10-02, 10-03, and 10-04 in the accompanying Schedule of Findings and Questioned Costs, the District did not comply with requirements regarding cash management that are applicable to its Adult Education program and TRIO Cluster of programs and special tests and provisions that are applicable to its Student Financial Aid Cluster of programs. Compliance with such requirements is necessary, in our opinion, for the District to comply with the requirements of those programs.

In our opinion, except for the noncompliance described in the preceding paragraph, Pima County Community College District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. The results of our auditing procedures also disclosed another instance of noncompliance with those requirements that is required to be reported in accordance with OMB Circular A-133 and is described in the accompanying Schedule of Findings and Questioned Costs as item 10-05.
Internal Control over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the 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 the requirements that could have a direct and material effect on a major federal program to determine the 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, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and another deficiency that we consider to be a significant deficiency.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 10-01, 10-02, 10-03 and 10-04 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as item 10-05 to be a significant deficiency.

Schedule of Expenditures of Federal Awards

The basic financial statements of Pima County Community College were audited by the Office of the Auditor General of the State of Arizona for the year ended June 30, 2010, who issued an unqualified report on the basic financial statements and a report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards, dated March 29, 2011. The report disclosed a significant deficiency in internal control that had no affect on Pima County Community College's federal programs and no instances of noncompliance.

The accompanying Schedule of Expenditures of Federal Awards for the year ended June 30, 2010, is presented as required by OMB Circular A-133 and is not a required part of the basic financial statements. We conducted our audit of the schedule in accordance with 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 the schedule is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the schedule. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall schedule presentation. We believe that our audit provides a reasonable basis for our opinion. Such information has been subjected to the auditing procedures as outlined above and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Pima County Community College District's responses to the findings identified in our audit are presented on pages 13 through 18. We did not audit the District's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the Governing Board, management, 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.

March 29, 2011
## Pima County Community College District
(Pima College)
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2010

<table>
<thead>
<tr>
<th>Federal Grantor/Pass-Through 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 Agriculture</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secondary and Two-Year Postsecondary Agriculture</td>
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<td></td>
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<tr>
<td>Education Challenge Grants</td>
<td>10.226</td>
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<td>1,409</td>
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<tr>
<td><strong>U.S Department of Education</strong></td>
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</tr>
<tr>
<td>Student Financial Assistance Cluster:</td>
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<td></td>
<td></td>
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<tr>
<td>Federal Supplemental Educational Opportunity Grants</td>
<td>84.007</td>
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<td>384,677</td>
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<tr>
<td>Federal Family Education Loans</td>
<td>84.032</td>
<td></td>
<td>29,525,384</td>
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<tr>
<td>Federal Work-Study Program</td>
<td>84.033</td>
<td></td>
<td>620,731</td>
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<tr>
<td>Federal Perkins Loan Program</td>
<td>84.038</td>
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<td>1,852,921</td>
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<tr>
<td>Federal Pell Grant Program</td>
<td>84.063</td>
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<td>39,493,190</td>
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<tr>
<td>Academic Competitiveness Grants</td>
<td>84.375</td>
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<td>37,011</td>
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<tr>
<td>Total Student Financial Assistance Cluster</td>
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<td>71,913,914</td>
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<tr>
<td><strong>TRIO Cluster:</strong></td>
<td></td>
<td></td>
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<tr>
<td>TRIO - Talent Search Program</td>
<td>84.044</td>
<td></td>
<td>461,202</td>
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<tr>
<td>TRIO - Upward Bound Program</td>
<td>84.047</td>
<td></td>
<td>1,045,081</td>
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<td>Total TRIO Cluster</td>
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<td>1,506,283</td>
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<tr>
<td><strong>Higher Education-Institutional Aid:</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Child Care Access Means Parents In School</td>
<td>84.031</td>
<td></td>
<td>1,836,262</td>
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<tr>
<td><strong>Passed through Arizona Commission for Post-Secondary Education</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leveraging Educational Assistance Partnership</td>
<td>84.069</td>
<td>N/A</td>
<td>63,402</td>
</tr>
<tr>
<td><strong>Passed through Arizona Department of Education</strong></td>
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<td></td>
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<tr>
<td>Adult Education – Basic Grants to States</td>
<td>84.002</td>
<td>V002A080003</td>
<td>2,251,665</td>
</tr>
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<td></td>
<td></td>
<td>V002A090003</td>
<td></td>
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<td>Career and Technical Education - Basic Grants to States</td>
<td>84.048</td>
<td>10FCTDBG-070600-01A</td>
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<tr>
<td></td>
<td></td>
<td>V048A040003</td>
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<td><strong>Passed through the Arizona Governor’s Office of Economic Recovery</strong></td>
<td></td>
<td></td>
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<td>ARRA- State Fiscal Stabilization Fund – Education State Grants</td>
<td>84.394</td>
<td>GVA600003-860208787</td>
<td>1,860,278</td>
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<tr>
<td><strong>Passed through Sunnyside Unified School District</strong></td>
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<tr>
<td>Even Start – State Educational Agencies</td>
<td>84.213</td>
<td>S213C090003</td>
<td>604,696</td>
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<td><strong>Passed through University of Arizona</strong></td>
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<td>Gaining Early Awareness and Readiness for Undergraduate Programs</td>
<td>84.334</td>
<td>P334A050173</td>
<td>7,470</td>
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<tr>
<td>Total U.S. Department of Education</td>
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<td>80,537,388</td>
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<td><strong>U.S. Department of Health and Human Services</strong></td>
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<td></td>
</tr>
<tr>
<td><strong>Passed through University of Arizona</strong></td>
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<td></td>
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<tr>
<td>Biomedical Research and Research Training</td>
<td>93.859</td>
<td>5K12GM000708-09</td>
<td>86,321</td>
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<tr>
<td>Total U.S. Department of Health and Human Services</td>
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<td>86,321</td>
</tr>
<tr>
<td><strong>Small Business Administration</strong></td>
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<tr>
<td>8(a) Business Development Program</td>
<td>59.006</td>
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<td>3,350</td>
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<tr>
<td><strong>Passed through Maricopa Community College District</strong></td>
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<tr>
<td>Small Business Development Centers</td>
<td>59.037</td>
<td>8-603001-Z-0003-14</td>
<td>109,279</td>
</tr>
<tr>
<td></td>
<td></td>
<td>9-603001-Z-0003-17</td>
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<tr>
<td>Total Small Business Administration</td>
<td></td>
<td></td>
<td>112,629</td>
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</tbody>
</table>

See accompanying notes to schedule.
<table>
<thead>
<tr>
<th>Federal Grantor/Pass-Through Grantor/Program Title</th>
<th>CFDA Number</th>
<th>Pass-Through Grantor’s Number</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>National Science Foundation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Passed through Arizona State University</td>
<td>47.076</td>
<td>07-781</td>
<td>$ 21,437</td>
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<tr>
<td>Education and Human Resources</td>
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<tr>
<td>Passed through University of Arizona</td>
<td>47.076</td>
<td>DUE-0736844</td>
<td>17,832</td>
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<tr>
<td>Education and Human Resources</td>
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<tr>
<td>Subtotal CFDA 47.076</td>
<td></td>
<td></td>
<td>39,269</td>
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<tr>
<td>Passed through Ventana Research Corporation</td>
<td>47.041</td>
<td>OII-0450441</td>
<td>20,873</td>
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<tr>
<td>Engineering Grants</td>
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<tr>
<td>Total National Science Foundation</td>
<td></td>
<td></td>
<td>60,142</td>
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<tr>
<td><strong>U.S. Department of Housing and Urban Development</strong></td>
<td>14.514</td>
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<td>64,512</td>
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<tr>
<td>Hispanic Serving Institutions Assisting Communities</td>
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<td></td>
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<tr>
<td><strong>U.S. Department of Justice</strong></td>
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<td>Passed through Bureau of Justice Assistance</td>
<td>16.607</td>
<td>2009BUBX09049733</td>
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<td>Bulletproof Vest Partnership Program</td>
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<td><strong>Corporation for National and Community Service</strong></td>
<td>94.006</td>
<td>AC-REC-09-0120-04/AC-VSG-07-9273-04</td>
<td>79,074</td>
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<td>Passed through the Arizona Governor’s Office of Economic Recovery</td>
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<td></td>
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<tr>
<td>ARRA – AmeriCorps</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Passed through the State of Arizona Governor’s Office</strong></td>
<td>94.006</td>
<td>04/09ACHAZ0010001</td>
<td>177,873</td>
</tr>
<tr>
<td>AmeriCorps</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Corporation for National and Community Service</td>
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<td></td>
<td>256,947</td>
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<tr>
<td><strong>U.S. Department of Transportation</strong></td>
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<tr>
<td>Passed through Governor’s Office of Highway Safety</td>
<td>20.600</td>
<td>2010-PT-058/2009-PT-018</td>
<td>25,050</td>
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<td>Highway Safety Cluster:</td>
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<tr>
<td>State and Community Highway Safety</td>
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<td></td>
<td></td>
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<tr>
<td>Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grant</td>
<td>20.601</td>
<td>2008-410-014</td>
<td>1,804</td>
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<tr>
<td>Total U.S. Department of Transportation</td>
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<td>29,138</td>
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<tr>
<td>Total Expenditures of Federal Awards</td>
<td></td>
<td></td>
<td>$ 81,152,243</td>
</tr>
</tbody>
</table>

See accompanying notes to schedule.
Pima County Community College District  
(Pima College)  
Notes to Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2010

Note 1 -  Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Pima County Community College District and is presented on the 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 2010 Catalog of Federal Domestic Assistance.

Note 3 -  Loans Outstanding

The expenditures reported on the Schedule of Expenditures of Federal Awards for certain programs include loan balances outstanding at June 30, 2010 as follows:

<table>
<thead>
<tr>
<th>Program Title</th>
<th>CFDA Number</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Perkins Loan Program</td>
<td>84.038</td>
<td>$1,852,921</td>
</tr>
</tbody>
</table>
Pima County Community College District
(Pima College)
Schedule of Findings and Questioned Costs
Year Ended June 30, 2010

Summary of Auditor's Results

Financial Statements (Audited by Other Auditors)

Type of auditor's report issued:  

Material weakness identified in internal control over financial reporting?  

[Reported by other auditors in separately issued Report on Internal Control and Compliance dated March 29, 2011]

Significant deficiency identified not considered to be a material weakness?  

Noncompliance material to the financial statements noted?  

Federal Awards

Material weaknesses identified in internal control over major programs?  

Significant deficiencies identified not considered to be material weaknesses?  

Type of auditor's report issued on compliance for major programs:

- Unqualified for, Higher Education – Institutional Aid, and ARRA-State Fiscal Stabilization Funds, and qualified for the Adult Education – Basic Grants to States, the TRIO Cluster of programs and Student Financial Assistance Cluster of programs.

Any audit findings disclosed that are required to be reported in accordance with Circular A-133 (section .510[a])?  

Identification of major programs:

<table>
<thead>
<tr>
<th>CFDA Number</th>
<th>Name of Federal Program or Cluster</th>
</tr>
</thead>
<tbody>
<tr>
<td>84.002</td>
<td>Adult Education-Basic Grants to States</td>
</tr>
<tr>
<td>84.394</td>
<td>ARRA- State Fiscal Stabilization Funds – Education State Grants</td>
</tr>
<tr>
<td>84.031</td>
<td>Higher Education – Institutional Aid</td>
</tr>
</tbody>
</table>

TRIO Cluster:

- 84.044 TRIO – Talent Search
- 84.047 TRIO – Upward Bound

Student Financial Assistance Cluster:

- 84.007 Federal Supplemental Educational Opportunity Grants
- 84.032 Federal Family Education Loans
- 84.033 Federal Work-Study Program
- 84.038 Federal Perkins Loan Program
- 84.063 Federal Pell Grant Program
- 84.375 Academic Competitive Grants

Dollar threshold used to distinguish between Type A and Type B programs: $1,493,218

Auditee qualified as low-risk auditee?  

Other Matters

Auditee's Summary Schedule of Prior Audit Findings required to be reported in accordance with Circular A-133 (section .315[b])?  

X
Pima County Community College District  
(Pima College)  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2010

Federal Award Findings and Questioned Costs

Item: 10-01

CFDA Numbers: 84.002 Adult Education-Basic Grants to States

Grantor: U.S. Department of Education

Award Period: July 1, 2009 through June 30, 2010

Award Numbers: V002A080003/V002A090003

Questioned Costs: N/A

Criteria: When entities are funded on a reimbursement basis, program costs must be paid for by entity funds before reimbursement is requested from the Federal Government.

Condition and Context: During September 2009, the District requested funding in excess of paid program costs by $16,987 for the Adult Education program. However, by the end of fiscal year 2010, the total reimbursements received were less than the total program expenditures for the program.

Effect: The District is not in compliance with its cash management requirements relating to the Adult Education program. This finding is a material weakness in internal control and a material noncompliance with the programs' cash management requirements.

Cause and Recommendation: The procedures used to request reimbursement of paid program costs for the District's Adult Education program were not in line with cash management requirements for programs that are funded on a reimbursement basis. The District should implement procedures to help ensure that reimbursements are only requested once corresponding program costs have occurred.

Item: 10-02

CFDA Numbers: 84.044, 84.047 TRIO Cluster

Grantor: U.S. Department of Education

Award Period: July 1, 2009 through June 30, 2010

Award Numbers: P044A060163; P047A070229, P047A080417, P047A080295, P047A080359

Questioned Costs: N/A

Criteria: When entities are funded on a reimbursement basis, program costs must be paid for by entity funds before reimbursement is requested from the Federal Government.

Condition and Context: For six of the twelve months in fiscal year 2010, the District requested funding in excess of paid program costs, ranging from approximately $1,300 to approximately $134,000, for the TRIO Cluster of programs. However, by the end of fiscal year 2010, the total reimbursements received were less than the total program expenditures.
Pima County Community College District
(Pima College)
Schedule of Findings and Questioned Costs
Year Ended June 30, 2010

Effect: The District is not in compliance with its cash management relating to its TRIO Cluster of Programs. This finding is a material weakness in internal control and a material noncompliance with the programs' cash management requirements.

Cause and Recommendation: The procedures used to request reimbursement of paid program costs for the District's TRIO Cluster of programs were not in line with cash management requirements for programs that are funded on a reimbursement basis. The District should implement procedures to help ensure that reimbursements are only requested once corresponding program costs have occurred.

Item: 10-03

CFDA Numbers: 84.007, 84.032, 84.033, 84.038, 84.063, 84.375 Student Financial Assistance Cluster

Grantor: U.S. Department of Education

Award Period: July 1, 2008 through June 30, 2010

Award Numbers: P007A070133/P007A080133, P033A080133, P038A080133, P063P070512/P063P080512, P375A070512/P375A080512

Questioned Costs: Unknown

Criteria: When a student who began attendance and has not officially withdrawn fails to earn a passing grade in at least one course offered over an entire period, the institution must assume, for Title IV purposes, that the student has unofficially withdrawn, unless the institution can document that the student completed the period. A return to Title IV calculation must then be performed within 45 days.

Condition and Context: For three of the fifty students selected for testing of return to Title IV calculations, the return calculations were necessary since the students received complete withdrawals due to failure to earn a passing grade. The return calculation was not performed within the required 45 days.

Effect: As of fiscal year ending June 30, 2010, the District was not in compliance with the Department of Education's requirements regarding return to Title IV calculations for students who are withdrawn due to failure to earn a passing grade. This finding is a material weakness in internal controls and a material noncompliance with the program's special tests and provisions requirements.

Cause and Recommendation: The District has been in the process of modifying its procedures resulting from this and similar prior year findings. However, policies and procedures should be strengthened to help ensure timely compliance with the U.S. Department of Education's regulations regarding the return of Title IV funds for students who are withdrawn due to failure to earn a passing grade.
Pima County Community College District  
(Pima College)  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2010

Item: 10-04

CFDA Numbers: 84.007, 84.032, 84.033, 84.038, 84.063, 84.375 Student Financial Assistance Cluster

Grantor: U.S. Department of Education

Award Period: July 1, 2008 through June 30, 2010

Award Numbers: P007A070133/P007A080133, P033A080133, P038A080133, P063P070512/ P063P080512, P375A070512/P375A080512

Questioned Costs: N/A

Criteria: Under the requirements of the Federal Pell Grant program, disbursement data must be reported timely to the U.S. Department of Education through the Common Origination and Disbursement System (COD). Institutions must report student payment data to the COD no later than 30 days after making a Federal Pell Grant disbursement or becoming aware of the need to adjust a student’s previously reported Federal Pell Grant disbursement.

Condition and Context: For 21 of 80 transactions tested, the District did not report Pell data to COD within the 30 day timeframe. Two transactions were reported 1-30 days late; one transaction was reported 31-60 days late; and 18 transactions were reported more than 60 days late.

Effect: The District is not in compliance with the Department of Education’s requirements regarding timely reporting of disbursement data to the Common Origination and Disbursement System. This finding is a material weakness in internal control and a material noncompliance with the program’s special tests and provisions requirements.

Cause and Recommendation: Controls were not sufficient to appropriately report to applicable program personnel the timing of Pell disbursements and adjustments so that personnel can report appropriate data to the COD. These controls should be reviewed and strengthened.

Item: 10-05

CFDA Numbers: 84.007, 84.032, 84.033, 84.038, 84.063, 84.375 Student Financial Assistance Cluster

Grantor: U.S. Department of Education

Award Period: July 1, 2008 through June 30, 2010

Award Numbers: P007A070133/P007A080133, P033A080133, P038A080133, P063P070512/ P063P080512, P375A070512/P375A080512
Pima County Community College District  
(Pima College)  
Schedule of Findings and Questioned Costs  
Year Ended June 30, 2010

Questioned Costs: N/A

Criteria: According to Federal Work Study regulations, the District is required to use at least 7% of its allocation to employ students in community service jobs. At least one of these work study students must perform family literacy activities in a family literacy project that provides services to families with preschool age children or elementary school children; or as a reading tutor for children who are preschool age or are in elementary school.

Condition and Context: The District did not employ any students in family literacy programs or as reading tutors, as required.

Effect: By not employing any students in family literacy programs or as reading tutors, the District is not in compliance with the Department of Education's requirements for Federal Work Study. This is a significant deficiency in internal controls and an immaterial non-compliance with the program's earmarking requirements.

Cause and Recommendation: The District did not actively pursue students wishing to be employed in a family literacy program or as a reading tutor for children who are preschool age or in elementary school. As a result, none of the students receiving Federal Work Study awards selected this type of employment. The District should establish policies and procedures to ensure at least one student is employed in family literacy activities or as a reading tutor for preschool age children or children in elementary school.
District Responses
Federal Award Findings and Questioned Costs

Item: 10-01

CFDA Numbers: 84.002 Adult Education-Basic Grants to States

Contact Person: Dr. Raul Ramirez, Vice Chancellor for Community Relations and Institutional Outreach

Anticipated Completed Date: June 30, 2011

Corrective Action: The College has corrected its procedures to drawdown cash on a reimbursement basis instead of using the scheduled payment method for the Adult Education program.

Item: 10-02

CFDA Numbers: 84.044, 84.047 TRIO Cluster

Contact Person: Dr. Raul Ramirez, Vice Chancellor for Community Relations and Institutional Outreach

Anticipated Completed Date: June 30, 2011

Corrective Action: The College has corrected its procedures to draw down cash on a reimbursement basis instead of using the scheduled payment method for the TRIO Cluster of programs.

Item: 10-03

CFDA Numbers: 84.007, 84.032, 84.033, 84.038, 84.063, 84.375 Student Financial Assistance Cluster

Contact Person: Anna M. Reese, Executive Director Financial Aid

Anticipated Completed Date: June 30, 2011

Corrective Action: The Corrective Action plan had been implemented from the 2008-2009 Audit Finding 09-02, which included improved processes to identify unsuccessful students with the last know activity dates. The new report protocols identified these three students within a pool of approximately 1,500, but staff failed to perform the Return to Title IV calculation for these three. Following is a summary of the corrective action the college will take on this issue.

- Immediate action:
  - The students identified during the audit have already had the R2T4 calculation completed.
  - The Unsuccessful Student Reports are being reviewed again to determine whether any other students may have been incorrectly classified during the review process.
Pima County Community College District  
(Pima College)  
Corrective Action Plan  
Year Ended June 30, 2010

• Long term action:
  o A Financial Aid Coordinator has been assigned to supervise this process with greater detail.
  o The report will be divided up and assigned to staff for initial review to determine who will need a R2T4 calculation.
  o The reports will also be reviewed by a different staff member to ensure that all students are properly identified as Unsuccessful Students in need of R2T4 calculation.
  o Funds will be returned accordingly.
  o The Financial Aid Office will recommend the implementation of an improved process that will easily identify unsuccessful students that did not earn their “F”. For example, a professor may assign an FN and the last date of activity. Then the Unsuccessful Student Report can be refined to pull all students that received FN’s and their last date of activity.

Item: 10-04

CFDA Numbers: 84.007, 84.032, 84.033, 84.038, 84.063, 84.375 Student Financial Assistance Cluster

Contact Person: Anna M. Reese, Executive Director Financial Aid

Anticipated Completed Date: June 30, 2011

Corrective Action: All steps in the 2008-2009 Audit Finding 09-03 had been implemented. After reviewing the finding, the College identified that new financial aid staff had not understood the entire process and failed to recognize that some submitted records may have been rejected. As such, they mistakenly believed that the records had been submitted correctly. The following steps have been implemented to maintain compliance:
  • Exporting and importing of Federal Pell data occurs at least twice a week.
  • Employee’s are monitoring export error and rejected files as they are received by Pima.
  • Procedures have been updated to include the review of Banner screen REICODD every week to resend any files that were not accepted by COD.
  • Reconciliation is required weekly to ensure that no students have been rejected and not corrected within the 30 day timeframe.

Item: 10-05

CFDA Numbers: 84.007, 84.032, 84.033, 84.038, 84.063, 84.375 Student Financial Assistance Cluster

Contact Person: Anna M. Reese, Executive Director Financial Aid

Anticipated Completed Date: June 30, 2011
Corrective Action: As in 2008-2009, there were no work study applicants for the family literacy opportunities. The College reported this deficiency on the Fiscal Operation Report July 1, 2009-June 30, 2010 and Application to Participate July 1, 2011-June 30, 2012. In 2010-2011, the College actively recruited students for the family literacy requirement by targeting emails to students in the education programs who indicated an interest in FWS. The College also sent targeted e-mails to students in Early Childhood Education. As a result, Pima has been able to hire three applicants for the family literacy program in 2010-2011.
Status of Prior Year Federal Award Findings and Questioned Costs

Finding Numbers: 09-01

**CFDA Numbers:** 84.007, 84.032, 84.033, 84.038, 84.063, 84.375

**Program:** Student Financial Assistance Cluster

**Status:** Corrected

Finding Numbers: 07-01, 08-01, 09-05

**CFDA Numbers:** 84.007, 84.032, 84.033, 84.038, 84.063, 84.375

**Program:** Student Financial Assistance Cluster

**Status:** Corrected

Finding Numbers: 08-02, 09-02

**CFDA Numbers:** 84.007, 84.032, 84.033, 84.038, 84.063, 84.375

**Program:** Student Financial Assistance Cluster

**Status:** Not Corrected

**Corrective Action:** The Corrective Action plan had been implemented from the 2008-2009 Audit Finding 09-02, which included improved processes to identify unsuccessful students with the last known activity dates. The new report protocols identified these three students within a pool of approximately 1,500, but staff failed to perform the Return to Title IV calculation for these three. Following is a summary of the corrective action the college will take on this issue.

- **Immediate action:**
  - The students identified during the audit have already had the R2T4 calculation completed.
  - The Unsuccessful Student Reports are being reviewed again to determine whether any other students may have been incorrectly classified during the review process.

- **Long term action:**
  - A Financial Aid Coordinator has been assigned to supervise this process with greater detail.
  - The report will be divided up and assigned to staff for initial review to determine who will need a R2T4 calculation.
  - The reports will also be reviewed by a different staff member to ensure that all students are properly identified as Unsuccessful Students in need of R2T4 calculation.
  - Funds will be returned accordingly.
Pima County Community College District  
(Pima College)  
Summary Schedule of Prior Audit Findings  
Year Ended June 30, 2010

- The Financial Aid Office will recommend the implementation of an improved process that will easily identify unsuccessful students that did not earn their "F". For example, a professor may assign an FN and the last date of activity. Then the Unsuccessful Student Report can be refined to pull all students that received FN's and their last date of activity.

Finding Numbers: 08-03, 09-03

CFDA Numbers: 84.007, 84.032, 84.033, 84.038, 84.063, 84.375

Program: Student Financial Assistance Cluster

Status: Not Corrected

Corrective Action: All steps in the 2008-2009 Audit Finding 09-03 had been implemented. After reviewing the finding, the College identified that new financial aid staff had not understood the entire process and failed to recognize that some submitted records may have been rejected. As such, they mistakenly believed that the records had been submitted correctly. The following steps have been implemented to maintain compliance:

- Exporting and importing of Federal Pell data occurs at least twice a week.
- Employee's are monitoring export error and rejected files as they are received by Pima.
- Procedures have been updated to include the review of Banner screen REICODD every week to resend any files that were not accepted by COD.
- Reconciliation is required weekly to ensure that no students have been rejected and not corrected within the 30 day timeframe.

Finding Numbers: 09-04

CFDA Numbers: 84.007, 84.032, 84.033, 84.038, 84.063, 84.375

Program: Student Financial Assistance Cluster

Status: Not Corrected

Corrective Action: As in 2008-2009, there were no work study applicants for the family literacy opportunities. The College reported this deficiency on the Fiscal Operation Report July 1, 2009-June 30, 2010 and Application to Participate July 1, 2011-June 30, 2012. In 2010-2011, the College actively recruited students for the family literacy requirement by targeting emails to students in the education programs who indicated an interest in FWS. The College also sent targeted e-mails to students in Early Childhood Education. As a result, Pima has been able to hire three applicants for the family literacy program in 2010-2011.
Pima County Community College District
(Pima College)
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2010

Finding Numbers: 09-06

CFDA Numbers: 84.002, 84.007, 84.031, 84.032, 84.033, 84.038, 84.048, 84.063, 84.375, 84.394


Status: Corrected