



A REPORT
TO THE
ARIZONA LEGISLATURE

Financial Audit Division

Single Audit

Maricopa County Community College District

Year Ended June 30, 2008



Debra K. Davenport
Auditor General

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Maricopa County Community College District
Single Audit Reporting Package
Year Ended June 30, 2008

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**STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL**

DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

WILLIAM THOMSON
DEPUTY AUDITOR GENERAL

**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**

Members of the Arizona State Legislature

The Governing Board of
Maricopa County Community College District

Compliance

We have audited the compliance of Maricopa 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 each of its major federal programs for the year ended June 30, 2008. The District's major federal programs are 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 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.

In our opinion, Maricopa County Community College District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements that are required to be reported in accordance with OMB Circular A-133, and that are described in the accompanying Schedule of Findings and Questioned Costs as items 08-101 and 08-102.

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 in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 would not necessarily identify all deficiencies in the District's internal control that might be significant deficiencies or material weaknesses as defined below. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A control deficiency in the District's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the District's internal control. We consider items 08-101 and 08-102 described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over compliance.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the District's internal control. We did not consider any of the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the business-type activities and discretely presented component unit of Maricopa County Community College District as of and for the year ended June 30, 2008, and have issued our report thereon dated December 15, 2008. Our report was modified to include a reference to our reliance on other auditors and as to consistency because of the implementation of Governmental Accounting Standards Board Statement Nos. 45, 48, and 50. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the District's basic financial statements. 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.

Maricopa County Community College District's responses to the findings identified in our audit are presented on pages 11 and 12. 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 members of the Arizona State Legislature, 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.

Jay Zsorey, CPA
Financial Audit Director

March 25, 2009, except for the
Schedule of Expenditures of Federal Awards,
for which the date is December 15, 2008

Maricopa County Community College District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2008

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number (Note 2)	Pass-Through Grantor's Number	Direct Expenditures	Pass- Through Expenditures	Total Expenditures (Note 3)
U.S. Department of Agriculture					
Hispanic-Serving Institutions Education Grants	10.223		\$ 128,023		\$ 128,023
National School Lunch Program, passed through the Arizona Department of Education	10.555	ED05-0001	28,002		28,002
Child and Adult Care Food Program, passed through the Arizona Department of Education	10.558	07-24-2007	8,555		8,555
Total U.S. Department of Agriculture			<u>164,580</u>		<u>164,580</u>
U.S. Department of Housing and Urban Development					
Community Development Block Grants/Entitlement Grants, passed through the City of Phoenix	14.218	117976, 123442	24,109		24,109
Community Development Block Grants/Entitlement Grants, passed through the City of Mesa	14.218	347072, 8755-06	65,746		65,746
Total Community Development Block Grants/Entitlement Grants			<u>89,855</u>		<u>89,855</u>
Empowerment Zones Program, passed through the City of Phoenix	14.244	114982, 114983, 115013	25,235		25,235
Total U.S. Department of Housing and Urban Development			<u>115,090</u>		<u>115,090</u>
U.S. Department of the Interior					
U.S. Geological Survey—Research and Data Collection	15.808		39,178		39,178
U.S. Department of Labor					
Employment Services and Job Training Pilots—Demonstrations and Research, passed through the American Association of Community Colleges	17.249	X-7046-9-00-80-60	1,425		1,425
WIA Adult Program, passed through the City of Phoenix	17.258	111176-02, 121573	76,160		76,160
WIA Pilots, Demonstrations, and Research Projects, passed through the Arizona Department of Commerce	17.261	HG-15236-06-60	85,503		85,503
WIA Pilots, Demonstrations, and Research Projects, passed through the University of Missouri	17.261	HG-15355-06-60	57,676		57,676
Total WIA Pilots, Demonstrations, and Research Projects			<u>143,179</u>		<u>143,179</u>
Total U.S. Department of Labor			<u>220,764</u>		<u>220,764</u>
National Aeronautics and Space Administration					
Aerospace Education Services Program, passed through Arizona State University	43.001	P263264	3,218		3,218
National Endowment for the Humanities					
Promotion of the Humanities—Federal/State Partnership, passed through the Arizona Humanities Council	45.129	GG18-5008-2008	2,450		2,450
Institute of Museum and Library Services					
Grants to States, passed through Arizona Department of Library, Archives and Public Records	45.310	208JT065	17,322		17,322
National Science Foundation					
Engineering Grants	47.041		176,965	\$ 12,783	189,748
Computer and Information Science and Engineering, passed through Triangle Software	47.070	0349640	958		958
Education and Human Resources	47.076		1,574,515	208,604	1,783,119
Education and Human Resources, passed through the Albuquerque Technical Vocational Institute	47.076	2123-8224C	20,241		20,241
Education and Human Resources, passed through Arizona State University	47.076	07-793, 05-544, 07-855 KDM-5276/KDS-0019	219,904		219,904

(Continued)

See accompanying notes to schedule.

Maricopa County Community College District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2008
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number (Note 2)	Pass-Through Grantor's Number	Direct Expenditures	Pass- Through Expenditures	Total Expenditures (Note 3)
Education and Human Resources, passed through Mohawk Valley Community College	47.076	DUE-0402263	\$ 28,549		\$ 28,549
Education and Human Resources, passed through University of Buffalo	47.076	R430138	4,435		4,435
Total Education and Human Resources			<u>1,847,644</u>	<u>\$ 208,604</u>	<u>2,056,248</u>
Total National Science Foundation			<u>2,025,567</u>	<u>221,387</u>	<u>2,246,954</u>
U.S. Small Business Administration					
Small Business Development Centers	59.037	993728, 19532	<u>679,447</u>	<u>773,467</u>	<u>1,452,914</u>
U.S. Environmental Protection Agency					
Environmental Education Grants	66.951		<u>7,299</u>		<u>7,299</u>
National Nuclear Security Administration					
Minority Serving Institutions Program	81.123		<u>218,272</u>		<u>218,272</u>
U.S. Department of Education					
TRIO Cluster					
TRIO—Student Support Services	84.042		584,931		584,931
TRIO—Upward Bound	84.047		<u>374,413</u>		<u>374,413</u>
Total TRIO Cluster			<u>959,344</u>		<u>959,344</u>
Adult Education—Basic Grants to States, passed through the Arizona Department of Education	84.002	08FAEABE-870579-03A, 08FAECIV-870579-01A	1,702,660		1,702,660
Title I Grants to Local Educational Agencies, passed through the Arizona Department of Education	84.010	07FAATTI-760034-03A, 08FAATTI-860034-01	56,883		56,883
Overseas Program—Group Projects Abroad, passed through Fulbright Hays	84.021	P021A080095	52,866		52,866
Special Education—Grants to States, passed through the Arizona Department of Education	84.027	08FESCBG-860034-04A	20,586		20,586
Higher Education—Institutional Aid	84.031		422,884		422,884
Career and Technical Education—Basic Grants to States, passed through the Arizona Department of Education	84.048	07FCTDBG-770570-01A, 07FCTDBG-870570-01A	994,601		994,601
Career and Technical Education—National Programs, passed through the League for Innovation	84.051	V051B0200001	33,825		33,825
Leveraging Educational Assistance Partnership, passed through the Arizona Commission for Postsecondary Education	84.069	None	249,500		249,500
Fund for the Improvement of Postsecondary Education	84.116		168,039	1,000	169,039
Fund for the Improvement of Postsecondary Education, passed through American Association of Community Colleges	84.116	P116B060445	<u>300</u>		<u>300</u>
Total Fund for the Improvement of Postsecondary Education			<u>168,339</u>	<u>1,000</u>	<u>169,339</u>
Rehabilitation Services—Vocational Rehabilitation Grants to States, passed through the Arizona Department of Economic Security	84.126	DES060661-1, DE081100-001	574,077		574,077
Tech-Prep Education, passed through the Arizona Department of Education	84.243	07FCTDTP-770576-01A, 08FCTDTP-870576-01A	317,588	69,645	387,233
State Grants for Innovative Programs, passed through the Arizona Department of Education	84.298	08FAATVA-860034-03A	269		269
Child Care Access Means Parents in School	84.335		46,955		46,955
Tech-Prep Demonstration Grants	84.353		141,153		141,153

(Continued)

See accompanying notes to schedule.

Maricopa County Community College District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2008
(Continued)

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number (Note 2)	Pass-Through Grantor's Number	Direct Expenditures	Pass- Through Expenditures	Total Expenditures (Note 3)
Mathematics and Science Partnerships, passed through Deer Valley Unified School District	84.366	08FSDMS2-860687-28A	\$ 37,846		\$ 37,846
Mathematics and Science Partnerships, passed through Scottsdale Unified School District	84.366	08FSDMPC-0860725-08A	252,371		252,371
Mathematics and Science Partnerships, passed through Arizona Department of Education	84.366	08FSDMPI-870744-08A	42,094		42,094
Total Mathematics and Science Partnerships			<u>332,311</u>		<u>332,311</u>
Improving Teacher Quality State Grants, passed through the Arizona Department of Education	84.367	08FAATII-860034-02A	2,368		2,368
Improving Teacher Quality State Grants, passed through Arizona State University	84.367	ITQ 07-05 07-824	61,762	\$ 6,200	67,962
Total Improving Teacher Quality State Grants			<u>64,130</u>	<u>6,200</u>	<u>70,330</u>
Total U.S. Department of Education			<u>6,137,971</u>	<u>76,845</u>	<u>6,214,816</u>
U.S. Department of Health and Human Services					
Substance Abuse and Mental Health Services—Project of Regional and National Significance, passed through University of Oklahoma Health Sciences Center	93.243	U79SM57278-01	19,254		19,254
Nurse Education—Practice and Retention Grants	93.359		170,339		170,339
Total U.S. Department of Health and Human Services			<u>189,593</u>		<u>189,593</u>
Corporation for National and Community Service					
Learn and Serve America—Higher Education	94.005		167,547	121,094	288,641
AmeriCorps, passed through Colorado Campus Compact	94.006	None	27,220		27,220
Planning and Program Development Grants	94.007		89,069		89,069
Planning and Program Development Grants, passed through Make a Difference	94.007	05EDHAZ001	401		401
Total Planning and Program Development Grants			<u>89,470</u>		<u>89,470</u>
Total Corporation for National and Community Service			<u>284,237</u>	<u>121,094</u>	<u>405,331</u>
Student Financial Assistance Cluster					
U.S. Department of Education					
Federal Supplemental Educational Opportunity Grants	84.007		1,578,206		1,578,206
Federal Family Education Loans	84.032		79,300,529		79,300,529
Federal Work-Study Program	84.033		1,990,079		1,990,079
Federal Perkins Loan Program—Federal Capital Contributions	84.038		993,728		993,728
Federal Pell Grant Program	84.063		49,230,068		49,230,068
Federal Direct Student Loans	84.268		8,869,661		8,869,661
Academic Competitiveness Grants	84.375		336,283		336,283
U.S. Department of Health and Human Services					
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925		6,000		6,000
Total Student Financial Assistance Cluster			<u>142,304,554</u>		<u>142,304,554</u>
Total Expenditures of Federal Awards			<u>\$ 152,409,542</u>	<u>\$ 1,192,793</u>	<u>\$ 153,602,335</u>

See accompanying notes to schedule.

Maricopa County Community College District
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2008

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Maricopa 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 2008 *Catalog of Federal Domestic Assistance*.

Note 3 - Loans Outstanding

The expenditures reported on the Schedule of Expenditures of Federal Awards for the Federal Perkins Loan Program—Federal Capital Contributions (CFDA No. 84.038) included loan balances outstanding at June 30, 2008, of \$974,196.

Maricopa County Community College District
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2008

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:		Unqualified	
		Yes	No
Material weakness identified in internal control over financial reporting?	<u>X</u>	___	
Significant deficiencies identified not considered to be material weaknesses?	<u>X</u>	___	
Noncompliance material to the financial statements noted?	___	<u>X</u>	

Federal Awards

Material weakness identified in internal control over major programs?		___	<u>X</u>
Significant deficiencies identified not considered to be material weaknesses?		<u>X</u>	___
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])?		<u>X</u>	___

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
47.076	Education and Human Resources 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—Federal Capital Contributions
84.063	Federal Pell Grant Program
84.268	Federal Direct Student Loans
84.375	Academic Competitiveness Grants
93.925	Scholarships for Health Professions Students from Disadvantaged Backgrounds

Dollar threshold used to distinguish between Type A and Type B programs:		\$1,933,738	
Auditee qualified as low-risk auditee?		<u>X</u>	___

Other Matters

Auditee's Summary Schedule of Prior Audit Findings required to be reported in accordance with Circular A-133 (section .315[b])?		<u>X</u>	___
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Maricopa County Community College District
Schedule of Findings and Questioned Costs
Year Ended June 30, 2008

Financial Statement Findings

Financial statement findings were reported in the separately issued 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*.

Federal Award Findings and Questioned Costs

08-101

Student Financial Assistance Cluster:

CFDA No.: 84.007 **Federal Supplemental Educational Opportunity Grants**

84.032 **Federal Family Education Loans (FFEL)**

84.033 **Federal Work-Study Program**

84.038 **Federal Perkins Loan Program—Federal Capital Contributions**

84.063 **Federal Pell Grant Program**

84.268 **Federal Direct Student Loans**

84.375 **Academic Competitiveness Grants**

U.S. Department of Education

93.925 **Scholarships for Health Professionals from Disadvantaged Backgrounds**

U.S. Department of Health and Human Services

Award Period: July 1, 2007 through June 30, 2008

Special Tests and Provisions

Questioned Cost: Unknown

The District has implemented a policy to submit each college's Student Status Confirmation Report (SSCR) every 60 days to ensure compliance with 34 Code of Federal Regulations (CFR) §§682.610(c) and 685.309(b). According to 34 CFR §§682.610(c) and 685.309(b), "A school shall—

1. Upon receipt of a student status confirmation report form from the U.S. Department of Education Secretary or a similar student status confirmation report form from any guaranty agency, complete and return that report within 30 days of receipt to the Secretary or the guaranty agency, as appropriate; and
2. Unless it expects to submit its next student status confirmation report to the Secretary or the guaranty agency within the next 60 days, notify the guaranty agency or lender within 30 days:
 - If it discovers that a FFEL or Direct loan has been made to or on behalf of a student who enrolled at that school, but who has ceased to be enrolled on at least a half-time basis;
 - If it discovers that a FFEL or Direct loan has been made to or on behalf of a student who has been accepted for enrollment at that school, but who failed to enroll on at least a half-time basis for the period for which the loan was intended;
 - If it discovers that a FFEL loan has been made to or on behalf of a full-time student who has ceased to be enrolled on a full-time basis.
 - If it discovers that a student who is enrolled and who has received a FFEL or Direct loan has changed his or her permanent address."

Maricopa County Community College District
Schedule of Findings and Questioned Costs
Year Ended June 30, 2008

However, AG staff noted that Chandler/Gilbert Community College, Gateway Community College, Glendale Community College, Paradise Valley Community College, Maricopa Skill Center, and Southwest Skill Center did not submit SSCRs every 60 days. Auditors noted 16 instances out of 103 tested for which SSCRs were submitted between 61 and 74 days. Further, at Phoenix College, auditors noted 1 instance out of 12 students tested where the student's change in status to below half-time was not reported on the applicable or subsequent SSCR.

It was not practical to extend our auditing procedures sufficiently to determine questioned costs, if any, that may have resulted from this finding. This finding is a significant deficiency and noncompliance over the special tests and provisions compliance requirement. This instance of noncompliance is similar to a prior-year finding.

In order to comply with 34 CFR §682.610(c) and 34 CFR §685.309(b), the District should ensure that its SSCRs are submitted every 60 days as required by their policy, and implement policies and procedures to ensure that the student status change information in the SSCRs is correct.

08-102

Student Financial Assistance Cluster:

CFDA No.: 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—Federal Capital Contributions**

84.063 **Federal Pell Grant Program**

84.268 **Federal Direct Student Loans**

84.375 **Academic Competitiveness Grants**

U.S. Department of Education

93.925 **Scholarships for Health Professionals from Disadvantaged Backgrounds**

U.S. Department of Health and Human Services

Award Period: July 1, 2007 through June 30, 2008

Special Tests and Provisions

Questioned Cost: Unknown

The District did not have adequate internal controls to ensure that its colleges were disbursing federal family education loans (FFEL) to students within the designated time frame. 34 CFR §668.167(b) requires that an institution must return FFEL Program funds to a lender if the institution does not disburse those funds to a student or parent for a payment period within 3 business days following the date the institution receives the funds if the lender provides those funds to the institution by EFT and master check. Auditors noted that for 2 out of 40 students tested, the District disbursed loans to students between 5 and 6 days after receipt and not within 3 business days.

It was not practical to extend our auditing procedures sufficiently to determine questioned costs, if any, that may have resulted from this finding. This finding is a significant deficiency and noncompliance over the special tests and provisions compliance requirement. This instance of noncompliance is similar to prior-years' findings.

To comply with 34 CFR §668.167(b), the District should monitor when federal loans are disbursed to students. Also, the District should ensure that federal loan monies are not held longer than 3 days before disbursement.



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March 19, 2009

Ms. Debbie Davenport
Auditor General
2910 N. 44th Street, Suite 410
Phoenix, AZ 85018

Dear Ms. Davenport:

The accompanying corrective action plan has been prepared as required by U.S. Office of Management and Budget Circular A-133. Specifically, we are providing you with the name of the contact person responsible for the corrective action, the corrective action planned, and the anticipated completion date for the audit findings included in the Schedule of Findings and Questioned Costs for the fiscal year ended June 30, 2008.

Sincerely,

Kimberly Brainard Granio, CPA
Director, Financial Services and Controller

MARICOPA COUNTY COMMUNITY COLLEGE DISTRICT
Corrective Action Plan
Year Ended June 30, 2008

Federal Award Findings and Questioned Costs

08-101

CFDA No.: 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-Federal Capital Contributions
84.063 Federal Pell Grant Program
84.268 Federal Direct Student Loans
84.375 Academic Competitiveness Grant
93.925 Scholarships for Health Professionals from Disadvantaged Backgrounds

Contact person: Michelle Paul
Anticipated completion date: Spring 2009

Corrective Action Planned:

Effective Fall semester 2008 MCCCCD has implemented a new process for submitting Student Status Confirmation Reports (SSCR). The colleges transmit enrollment data to the National Student Clearinghouse every two weeks. Based on this information the Clearinghouse generates the SSCR and transmits the file to the National Student Loan Data System (NSLDS) the 3rd week of every month. This new cycle is processing effectively as of Spring semester 2009.

Additionally any discrepancies in the enrollment data submitted to the Clearinghouse are returned to the college registrar to research and provide additional information before the SSCR can be submitted to NSLDS.

08-102

CFDA No.: 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-Federal Capital Contributions
84.063 Federal Pell Grant Program
84.268 Federal Direct Student Loans
84.375 Academic Competitiveness Grant
93.925 Scholarships for Health Professionals from Disadvantaged Backgrounds

Contact person: Michelle Paul
Anticipated completion date: Spring 2009

Corrective Action Planned:

The colleges have assigned additional staff resources to monitor federal loan disbursement rosters to ensure that funds are disbursed in accordance with Federal disbursement rules. In addition, all staff responsible for posting disbursements have been trained on the Federal regulations that govern this process.



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March 16, 2009

Ms. Debbie Davenport
Auditor General
2910 N. 44th Street, Suite 410
Phoenix, AZ 85018

Dear Ms. Davenport:

The accompanying Summary Schedule of Prior Audit Findings had been prepared as required by U.S. Office of Management and Budget Circular A-133. Specifically, we are reporting the status of audit findings included in the prior audit's Schedule of Findings and Questioned Costs related to federal awards.

Sincerely,

Kimberly Brainard Granio, CPA
Director, Financial Services and Controller

Maricopa County Community College District
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2008

Status of Federal Award Findings and Questioned Costs

Finding No. 07-101
Status: Fully corrected

Contact person: Michelle Paul

Finding No. 07-102
Status: Fully corrected

Contact Person: Frank Rivera

Finding No. 07-103
Status: Partially corrected

The colleges requested through National Student Loan Data System (NSLDS) to have the Student Status Confirmation Reports (SSCR) run monthly as of 6/1/2007. However, with the implementation of the Peoplesoft student information system (SIS) in February 2008, the colleges moved the Student Status Confirmation Reports (SSCR) submissions to the National Student Clearinghouse. The District has developed processes to transmit data to cycle through the Clearinghouse, and as of Spring 2009, all colleges are on a monthly SSCR reporting schedule.

Contact Person: Michelle Paul

Finding No. 07-104
Status: Partially corrected

The District implemented the financial aid module of the Peoplesoft student information system in August 2008. This module includes tools that can assist with the request and disbursement process based on the start of classes for the payment period. The District is currently developing business processes to utilize the system as effectively as possible in addition to monitoring when federal loan funds are requested and disbursed in order to comply with federal disbursement rules.

Contact Person: Michelle Paul

Finding No. 07-105
Status: Fully corrected

Contact Person: Michelle Paul

Finding No. 06-101
Status: Fully corrected

Contact person: Michelle Paul

Maricopa County Community College District
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2008

Finding No. 06-102
Status: Fully corrected

Contact person: Michelle Paul

Finding No. 06-103
Status: Partially corrected

The colleges requested through National Student Loan Data System (NSLDS) to have the Student Status Confirmation Reports (SSCR) run monthly as of 6/1/2007. However, with the implementation of the Peoplesoft student information system (SIS) in February 2008, the colleges moved the Student Status Confirmation Reports (SSCR) submissions to the National Student Clearinghouse. The District has developed processes to transmit data to cycle through the Clearinghouse, and as of Spring 2009, all colleges are on a monthly SSCR reporting schedule.

Contact person: Michelle Paul

Finding No. 06-104
Status: Partially corrected

The District implemented the financial aid module of the Peoplesoft student information system in August 2008. This module includes tools that can assist with the request and disbursement process based on the start of classes for the payment period. The District is currently developing business processes to utilize the system as effectively as possible in addition to monitoring when federal loan funds are requested and disbursed in order to comply with federal disbursement rules.

Contact person: Michelle Paul