

**MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT  
SINGLE AUDIT REPORT  
YEAR ENDED JUNE 30, 2020**



**MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT  
SINGLE AUDIT REPORT  
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YEAR ENDED JUNE 30, 2020**

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Auditor General of the State of Arizona  
Governing Board of  
Mohave County Community College District  
Kingman, Arizona

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities and discretely presented component unit of Mohave County Community College District (District) as of and for the year ended June 30, 2020, 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 18, 2020. The financial statements of the discretely presented component unit 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 discretely presented component unit.

**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 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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 Audit Standards*.

## 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 entity'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.

*CWDL, Certified Public Accountants*

Scottsdale, Arizona  
December 18, 2020



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM, ON  
INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF  
EXPENDITURES OF FEDERAL AWARDS AS REQUIRED BY THE UNIFORM GUIDANCE**

The Auditor General of the State of Arizona  
Governing Board of  
Mohave County Community College District  
Kingman, Arizona

**Report on Compliance for Each Major Federal Program**

We have audited Mohave County Community College District's (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

**Opinion on Each Major Federal Program**

In our opinion, the District, complied, in all material respects, with the types of 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, 2020.

## Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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.

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. A significant deficiency in internal control over compliance is a deficiency, or a 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.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the business-type activities and discretely presented component unit of the District, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 18, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*CWDL, Certified Public Accountants*

Scottsdale, Arizona  
December 18, 2020

**MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2020**

| <b>Federal Grantor/Pass-Through Grantor/Program or Cluster</b> | <b>Federal Assistance Listing Number (CFDA)</b> | <b>Pass-Through Entity Identifying Number</b> | <b>Federal Expenditures</b> |
|--|---|---|-----------------------------|
| <b>U.S. Department of Agriculture:</b>                         |   |   |                             |
| <i>Passed through The National Science Foundation:</i>         |   |   |                             |
| Education and Human Resources                                  | 47.076  | Unknown                                       | \$ 19,062                   |
| <b>U.S. Department of Agriculture:</b>                         |   |   |                             |
| <i>Passed through The U.S. Small Business Administration:</i>  |   |   |                             |
| Small Business Development Centers                             | 59.037  | SBAHQ20C0012                                  | 81,794                      |
| <b>U.S. Department of Education:</b>                           |   |   |                             |
| <i>Direct Program:</i>   |   |   |                             |
| Student Financial Assistance Cluster:                          |   |   |                             |
| Opportunity Grants   | 84.007  | Direct Grant                                  | 138,750                     |
| Work-Study Program   | 84.033  | Direct Grant                                  | 131,536                     |
| Pell Grant Program   | 84.063  | Direct Grant                                  | 6,789,857                   |
| Direct Student Loans   | 84.268  | Direct Grant                                  | 2,790,842                   |
| Subtotal Student Financial Assistance Cluster:                 |   |   | 9,850,985                   |
| COVID-19 Higher Education Emergency Relief Fund                | 84.425  | Direct Grant                                  | 1,933,935                   |
| <i>Passed through the Arizona Department of Education:</i>     |   |   |                             |
| Adult Education  | 84.010  | 19FT1TTI-911221-01A                           | 313,631                     |
| Career and Technical Education - Vocational Education          | 84.048  | 19FCTDBG-911221-08A                           | 262,234                     |
| <b>Total U. S. Department of Education</b>                     |   |   | 12,360,785                  |
| <b>Total Federal Expenditures</b>                              |   |   | \$ 12,461,641               |

**MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2020**

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**NOTE 1 - BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards includes the District's federal grant activity for the year ended June 30, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**NOTE 3 – FEDERAL ASSISTANCE LISTING NUMBER (CFDA Number)**

The program titles and federal assistance listing numbers were obtained from the federal or pass-through grantor or the *2020 Catalog of Federal Domestic Assistance*, as well as SAM.Gov and Grants.gov websites.

**NOTE 4 - INDIRECT COST RATE**

The District did not elect to use the 10 percent de minimis indirect cost rate as covered in 2 CFR §200.414.

**NOTE 5 - SUBRECIPIENTS**

Mohave County Community College District did not make any payments to subrecipients during the fiscal year.

**MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2020**

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**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**FINANCIAL STATEMENTS**

|  |                      |
|--|----------------------|
| Type of auditors' report issued:                       | <u>Unmodified</u>    |
| Internal control over financial reporting:             |                      |
| Material weaknesses identified?                        | <u>No</u>            |
| Significant deficiencies identified?                   | <u>None reported</u> |
| Non-compliance material to financial statements noted? | <u>No</u>            |

**FEDERAL AWARDS**

|   |                      |
|---|----------------------|
| Internal control over major programs:   |                      |
| Material weaknesses identified?   | <u>No</u>            |
| Significant deficiencies identified?  | <u>None reported</u> |
| Type of auditors' report issued on compliance for major programs:                                   | <u>Unmodified</u>    |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR §200.516(a)? | <u>No</u>            |
| Identification of major programs:   |                      |

| <u>Federal Assistance Listing Number (CFDA)</u> | <u>Name of Federal Program of Cluster</u>              |
|---|--|
| <u>84.007, 84.033, 84.063, 84.268</u>           | <u>Student Financial Aid Cluster</u>                   |
| <u>84.425</u>                                   | <u>COVID-19 Higher Education Emergency Relief Fund</u> |

|  |                   |
|--|-------------------|
| Dollar threshold used to distinguish between Type A and Type B programs: | <u>\$ 750,000</u> |
| Auditee qualified as low-risk auditee?                                   | <u>No</u>         |

**MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2020**

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**SECTION II - FINANCIAL STATEMENT FINDINGS**

None reported.

**MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2020**

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**SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None reported.

**MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2020**

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**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS:**

**Finding 2019-001      Mohave College Foundation (Component Unit) – Segregation of Accounting Duties**  
**Criteria:**              To help ensure the accuracy of financial records and to help reduce the risk of misappropriation of assets, duties should be segregated whereby the individual with custody of assets should not be the same individual responsible for recordkeeping of those assets.

**Status:**                      Corrected.

**Finding 2019-002      Mohave College Foundation (Component Unit) – Donor Restriction Reconciliations**  
**Criteria:**              Contributions received from donors with specific restrictions as to use should be sufficiently tracked to help ensure that these funds are used only for the intended purpose and to ensure that amounts remaining can be determined.

**Status:**                      Corrected.