

# Cochise County Community College District

Expenditure Limitation Report

Year Ended June 30, 2017



A Report to the Arizona Legislature

Lindsey Perry  
Auditor General





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## Audit Staff

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**LINDSEY PERRY, CPA, CFE**  
AUDITOR GENERAL

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

**MELANIE M. CHESNEY**  
DEPUTY AUDITOR GENERAL

**Independent accountants' report**

Members of the Arizona State Legislature

The Governing Board of  
Cochise County Community College District

We have examined the accompanying annual budgeted expenditure limitation report of Cochise County Community College District for the year ended June 30, 2017, and the related notes to the report. The District's management is responsible for presenting this report in accordance with the uniform expenditure reporting system as described in note 1. Our responsibility is to express an opinion on this report based on our examination.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether this report is presented in accordance with the uniform expenditure reporting system in all material respects. An examination involves performing procedures to obtain evidence about the amounts and disclosures in the report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the report, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the annual budgeted expenditure limitation report referred to above is presented in accordance with the information prescribed by the uniform expenditure reporting system as described in note 1 in all material respects.

Jay Zsorey, CPA  
Director, Financial Audit Division

May 30, 2018



**Cochise County Community College District  
(Cochise College)  
Annual budgeted expenditure limitation report—part I  
Year ended June 30, 2017**

1. Economic Estimates Commission expenditure limitation	\$49,062,166
2. Amount subject to the expenditure limitation (total from part II, line C)	<u>44,065,984</u>
3. Amount under (in excess of) the expenditure limitation	<u>\$ 4,996,182</u>

I hereby certify, to the best of my knowledge and belief, that the information contained in this report is accurate and in accordance with the requirements of the uniform expenditure reporting system.

Signature of chief fiscal officer: \_\_\_\_\_

Name and Title: Wendy F. Davis, Vice President for Administration and Human Resources

Telephone number: (520) 515-3623 Date: May 30, 2018

See accompanying notes to report.

**Cochise County Community College District  
(Cochise College)  
Annual budgeted expenditure limitation report—part II  
Year ended June 30, 2017**

Description	Current funds			Plant funds		Total
	Unrestricted		Restricted	Unexpended	Retirement of indebtedness	
	General	Auxiliary enterprises				
A. Total budgeted expenditures	\$ 34,423,144	\$ 922,302	\$ 12,109,225	\$ 3,595,118	\$ 3,016,044	\$ 54,065,833
B. Less exclusions claimed:						
Debt service requirements (Note 2)					2,223,331	2,223,331
Grants and aid from the federal government (Note 3)			7,776,518			7,776,518
Total exclusions claimed			7,776,518		2,223,331	9,999,849
C. Amounts subject to the expenditure limitation	<u>\$ 34,423,144</u>	<u>\$ 922,302</u>	<u>\$ 4,332,707</u>	<u>\$ 3,595,118</u>	<u>\$ 792,713</u>	<u>\$ 44,065,984</u>

See accompanying notes to report.

**Cochise County Community College District  
(Cochise College)  
Notes to annual budgeted expenditure limitation report  
Year ended June 30, 2017**

**Note 1 - Summary of significant accounting policies**

The annual budgeted expenditure limitation report (ABELR) is presented as prescribed by the uniform expenditure reporting system (UERS), as required by Arizona Revised Statutes (A.R.S.) §41-1279.07. The ABELR excludes expenditures of certain revenues specified in the Arizona Constitution, Article IX, §21, and A.R.S. §§15-792.03, 15-795.01, 15-1444, and 15-1472, as applicable, from the total budgeted expenditures.

The information reported in both the ABELR and the financial statements is derived from the same underlying accounting data. However, the formats of the ABELR and the financial statements differ. The ABELR presents budgeted expenditures, exclusions, and amounts subject to the limitation by fund type as required by A.R.S. §41-1279.07. The financial statements present the net position, changes in net position, and cash flows in accordance with U.S. generally accepted accounting principles.

In accordance with the UERS requirements, a note to the ABELR is presented below for any exclusion reported in the total column on part II that cannot be traced directly to an amount reported in the annual financial statements.

**Note 2**

The exclusion of \$2,223,331 reported as debt service requirements consists of \$1,100,000 and \$561,665 reported as principal paid on capital debt and interest paid on capital debt, respectively, on the statement of cash flows—primary government and \$561,666 of interest payable on the statement of net position—primary government.

**Note 3**

The following schedule presents revenues from which exclusions have been claimed for grants and aid from the federal government:

**Statement of revenues, expenses and changes in net position—  
primary government:**

Government grants	<u>\$8,019,470</u>
Total	<u>\$8,019,470</u>

**ABELR**

Grants and aid from the federal government exclusion claimed	\$ 7,776,518
Other revenues (nonexcludable)	<u>242,952</u>
Total	<u>\$8,019,470</u>

