



A REPORT  
TO THE  
ARIZONA LEGISLATURE

Financial Audit Division

Expenditure Limitation Report

# Gila County Provisional Community College District

(Gila Community College)

Year Ended June 30, 2008



**Debra K. Davenport**  
Auditor General

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Gila County Provisional Community College District  
(Gila Community College)  
Report on Audit of Annual Budgeted Expenditure Limitation Report  
Year Ended June 30, 2008

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**DEBRA K. DAVENPORT, CPA**  
AUDITOR GENERAL

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

**MELANIE M. CHESNEY**  
DEPUTY AUDITOR GENERAL

**Independent Auditors' Report**

Members of the Arizona State Legislature

The Governing Board of  
Gila County Provisional Community College District

We were engaged to audit the accompanying Annual Budgeted Expenditure Limitation Report of Gila County Provisional Community College District for the year ended June 30, 2008. This report is the responsibility of the District's management.

During our engagement to audit Gila County Provisional Community College District's financial statements, we determined that the District had inadequate internal controls over its accounting system and had not maintained adequate accounting records for various accounts as explained in our report dated October 31, 2013. As a result, we did not express an opinion on the District's financial statements as of and for the year ended June 30, 2008. As a further consequence, we did not audit the District's revenues and expenditures sufficiently to enable us to express an opinion on the accompanying Annual Budgeted Expenditure Limitation Report for the year ended June 30, 2008.

The accompanying Annual Budgeted Expenditure Limitation Report was prepared for the purpose of complying with the uniform expenditure reporting system as discussed in Note 1, and is not intended to be a presentation in conformity with U.S. generally accepted accounting principles.

Since we did not perform sufficient auditing procedures on the District's revenues and expenditures as explained in the second paragraph above, the scope of our work was not sufficient to express, and we do not express, an opinion on the Annual Budgeted Expenditure Limitation Report of Gila County Provisional Community College District for the year ended June 30, 2008.

This report is intended solely for the information and use of the members of the Arizona State Legislature, the Governing Board, management, and others within the District and for filing with the Auditor General of the State of Arizona, 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

February 5, 2014

Gila County Provisional Community College District  
(Gila Community College)  
Annual Budgeted Expenditure Limitation Report—Part I  
Year Ended June 30, 2008

1. Economic Estimates Commission expenditure limitation	\$5,459,965
2. Total amount subject to the expenditure limitation (from Part II, Line C)	<u>4,781,090</u>
3. Amount under the expenditure limitation	<u>\$ 678,875</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: Sam Moorhead, Governing Board President

Telephone Number: (928) 425-8481 Date: February 5, 2014

See accompanying notes to report.

Gila County Provisional Community College District  
(Gila Community College)  
Annual Budgeted Expenditure Limitation Report—Part II  
Year Ended June 30, 2008

<b>Description</b>	<b>General Fund</b>
A. Total budgeted expenditures	\$5,176,216
B. Less exclusions claimed:	
Debt service requirements on other long-term obligations (Note 2)	12,607
Dividends, interest, and gains on the sale or redemption of investment securities	49,093
Grants and aid from the federal government (Note 3)	40,439
Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes (Note 3)	470
Prior years carryforward (Note 4)	<u>292,517</u>
Total exclusions claimed	<u>395,126</u>
C. Amounts subject to the expenditure limitation	<u>\$4,781,090</u>

See accompanying notes to report.

Gila County Provisional Community College District  
(Gila Community College)  
Annual Budgeted Expenditure Limitation Report—Part II  
Year Ended June 30, 2008

Note 1 - Summary of Significant Accounting Policies

The Annual Budgeted Expenditure Limitation Report (ABELR) is presented on the basis of accounting prescribed by the Uniform Expenditure Reporting System (UERS), as required by Arizona Revised Statutes (A.R.S.) §41-1279.07, which excludes expenditures of certain revenues specified in the Arizona Constitution, Article IX, §21, from the total budgeted expenditures.

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

Note 2 - The exclusion claimed for debt service requirements on other long-term obligations of \$12,607 consists of the amounts reported as principal retirement and interest on long-term debt on the Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balances.

Note 3 - The following schedule presents revenues from which exclusions have been claimed for grants and aid from the federal government and grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes:

**Statement of Governmental Fund  
Revenues, Expenditures, and  
Changes in Fund Balances:**

Operating grants and contracts	<u>\$120,521</u>
Total	<u>\$120,521</u>

**ABELR:**

Grants and aid from the federal government	\$ 40,439
Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes	<u>470</u>
Total exclusions claimed	<u>40,909</u>
Other revenues (nonexcludable)	<u>79,612</u>
Total	<u>\$120,521</u>

Note 4 - Prior years carryforward consists of constitutionally excludable revenues unexpended in the year of receipt that have been accumulated and were expended in the current year as follows:

Description	General Fund
Contracts with other political subdivisions	<u>\$292,517</u>

