

Mohave County Community College District
Report on Examination of
Annual Budgeted Expenditure Limitation Report
Year Ended June 30, 2018

Mohave County Community College District
Annual budgeted expenditure limitation report
Year ended June 30, 2018

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Independent accountants' report

The Auditor General of the State of Arizona

The Governing Board of
Mohave County Community College District

We have examined the accompanying annual budgeted expenditure limitation report of Mohave County Community College District for the year ended June 30, 2018, 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.

Snyder & Butler, CPAs, PLLC

Tempe, Arizona
March 29, 2019

Mohave County Community College District
Annual budgeted expenditure limitation report—part I
Year ended June 30, 2018

1. Economic Estimates Commission expenditure limitation	\$26,271,380
2. Amount subject to the expenditure limitation (total amount from part II, line C)	26,271,380
3. Amount under (in excess of) the expenditure limitation	<u><u>\$0</u></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: Sonni Marbury, Dean of Business

Telephone number: (928) 692-3032 Date: March 29, 2019

See accompanying notes to report.

Mohave County Community College District
Annual budgeted expenditure limitation report—part II
Year ended June 30, 2018

Description	<u>Current funds</u>			<u>Plant fund</u>	
	<u>Unrestricted</u>			<u>Unexpended</u>	<u>Total</u>
	<u>General</u>	<u>Auxiliary enterprises</u>	<u>Restricted</u>		
A. Total budgeted expenditures	\$ 30,505,012	\$ 544,758	\$ 12,009,500	\$ 1,847,015	\$ 44,906,285
B. Less exclusions claimed:					
Dividends, interest, and gains on the sale or redemptions of investment securities	80,600			47	80,647
Grants, aid, or contributions from the federal government, the State of Arizona, or other political subdivisions, tribal governments or special taxing districts (Note 2)			10,277,657		10,277,657
Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes (Note 3)			359,375		359,375
Amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements				1,846,968	1,846,968
Tuition and fees (Note 4)	4,980,231	544,758			5,524,989
Amounts received from the State of Arizona for workforce development in accordance with A.R.S. §15-1472	545,269				545,269
Total exclusions claimed	<u>5,606,100</u>	<u>544,758</u>	<u>10,637,032</u>	<u>1,847,015</u>	<u>18,634,905</u>
C. Amounts subjected to the expenditure limitation	<u>\$ 24,898,912</u>	<u>\$ -</u>	<u>\$ 1,372,468</u>	<u>\$ -</u>	<u>\$ 26,271,380</u>

See accompanying notes to report.

Mohave County Community College District
Notes to annual budgeted expenditure limitation report
Year ended June 30, 2018

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, 15-1472, and 15-1444 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 claimed for grants and aid from the federal government of \$10,277,657 is comprised of \$6,930,391 that was reported as government grants in the statement of revenues, expenses, and changes in net position-primary government as well as \$3,347,266 of Federal Direct Student Loan disbursements that are budgeted for as expenses but are not reflected as an expense in the financial statements. The remaining government grants of \$16,092 are nonexcludable.

Note 3

The exclusion of \$359,375 claimed for grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes, consists of private scholarships reported within private contracts on the statement of revenues, expenses, and changes in net position-primary government. The remaining \$71,710 reported within private contracts are nonexcludable.

Note 4

The District does not budget tuition and fees revenue net of scholarship allowances. Of the gross tuition and fees of \$8,948,471 reported on the statement of revenues, expenses, and changes in net position-primary government, only \$5,524,989 was expended and claimed as an exclusion. Of the remaining tuition and fees, \$930,482 is not excludable and \$2,362,256 and \$130,744 has been carried forward to future years in the general fund and auxiliary fund, respectively.