

# Pinal County Community College District (Central Arizona College)

Annual Budgeted Expenditure  
Limitation Report

Year Ended June 30, 2018

A Report to the Arizona Legislature

Lindsey A. Perry  
Auditor General





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## Audit Staff

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**MELANIE M. CHESNEY**  
DEPUTY AUDITOR GENERAL

**ARIZONA AUDITOR GENERAL**  
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DEPUTY AUDITOR GENERAL

## **Independent accountants' report**

Members of the Arizona State Legislature

The Governing Board of  
Pinal County Community College District

We have examined the accompanying Annual Budgeted Expenditure Limitation Report of Pinal 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.

Donna Miller, CPA  
Director, Financial Audit Division

May 28, 2020

**Pinal County Community College District  
(Central Arizona College)  
Annual Budgeted Expenditure Limitation Report—Part I  
Year ended June 30, 2018**

1. Economic Estimates Commission expenditure limitation	\$41,140,760
2. Amount subject to the expenditure limitation (total amount from part II, line C)	<u>41,140,759</u>
3. Amount under the expenditure limitation	<u>\$ 1</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: Chris Wodka, Vice President of Finance and Administration

Telephone number: (520) 494-5230 Date: May 28, 2020

See accompanying notes to report.

**Pinal County Community College District  
(Central Arizona College)  
Annual Budgeted Expenditure Limitation Report—Part II  
Year ended June 30, 2018**

Description	Current funds			Plant funds		Total
	Unrestricted		Restricted	Unexpended	Retirement of indebtedness	
	General	Auxiliary enterprises				
A. Total budgeted expenditures	\$ 41,465,000	\$ 6,042,025	\$ 17,589,988	\$ 26,270,846	\$ 9,580,536	\$ 100,948,395
B. Less exclusions claimed:						
Debt service requirements (Note 3)	104,751			370,149	9,479,111	9,954,011
Dividends, interest, and gains on the sale or redemption of investment securities	418,735			401,624	101,425	921,784
Grants, aid, or contributions from the federal government, the State of Arizona, other political subdivisions, tribal governments, or special taxing districts (Note 4)			14,039,566			14,039,566
Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes			227,322			227,322
Tuition and fees (Note 5)	2,391,152	5,313,481				7,704,633
Amounts received from the State of Arizona for workforce development in accordance with A.R.S. §15-1472			751,695			751,695
Prior years carryforward (Note 2)	<u>4,810,325</u>			<u>21,398,300</u>		<u>26,208,625</u>
Total exclusions claimed	<u>7,724,963</u>	<u>5,313,481</u>	<u>15,018,583</u>	<u>22,170,073</u>	<u>9,580,536</u>	<u>59,807,636</u>
C. Amounts subject to the expenditure limitation	<u>\$ 33,740,037</u>	<u>\$ 728,544</u>	<u>\$ 2,571,405</u>	<u>\$ 4,100,773</u>	<u>\$ -</u>	<u>\$ 41,140,759</u>

See accompanying notes to report.

**Pinal County Community College District  
 (Central Arizona College)  
 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 the 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, 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**

Prior years carryforward of \$4,810,325 and \$21,398,300 in the general fund and unexpended plant fund, respectively, consist of constitutionally excludable revenues unexpended in the year of receipt that have been accumulated and were expended in the current year.

**Note 3**

The exclusion claimed for debt service requirements is included in the amounts reported as principal paid on capital debt and interest paid on capital debt on the statement of cash flows—primary government.

**Note 4**

The following schedule presents revenues from which an exclusion has been claimed for grants and aid from the federal government and contracts with other political subdivisions:

<b>Statement of revenues, expenses, and changes in net position:</b>		<b>Annual budgeted expenditure limitation report:</b>	
Government grants	<u>\$15,877,305</u>	Grants and aid from the federal government	\$14,039,566
		Other revenues (nonexcludable)	1,795,294
		Amount carried forward	<u>42,445</u>
Total	<u>\$15,877,305</u>	Total	<u>\$15,877,305</u>

**Pinal County Community College District  
(Central Arizona College)  
Notes to Annual Budgeted Expenditure Limitation Report  
Year ended June 30, 2018**

**Note 5**

The District does not budget tuition and fees revenue net of scholarship allowances. Of the gross tuition and fees of \$11,055,693 reported on the statement of revenues, expenses, and changes in net position—primary government, \$7,704,633 was expended and claimed as an exclusion.

