

Yavapai County Community College District

Expenditure Limitation Report

Year Ended June 30, 2016



A Report to the Arizona Legislature

Debra K. Davenport
Auditor General





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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 accountants' report

Members of the Arizona State Legislature

The Governing Board of
Yavapai County Community College District

We have examined the accompanying annual budgeted expenditure limitation report of Yavapai County Community College District for the year ended June 30, 2016. The District's management is responsible for this report. Our responsibility is to express an opinion on this report based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the amounts and disclosures in the report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the annual budgeted expenditure limitation report referred to above presents, in all material respects, the information prescribed by the uniform expenditure reporting system as described in Note 1.

Jay Zsorey, CPA
Financial Audit Director

March 21, 2017



**Yavapai County Community College District
(Yavapai College)
Annual budgeted expenditure limitation report—part I
Year ended June 30, 2016**

1. Economic Estimates Commission expenditure limitation		\$42,312,883
2. Total amount subject to the expenditure limitation (from Part II, Line C)	\$42,613,230	
3. Less expenditures of monies received pursuant to Arizona Revised Statutes (A.R.S.) §15-1472 (workforce development)	<u>675,346</u>	
4. Adjusted amount subject to the expenditure limitation		<u>41,937,884</u>
5. Amount under the expenditure limitation		<u>\$ 374,999</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: Clint Ewell, Vice President of Finance and Administrative Services

Telephone number: (928) 776-2110 Date: March 21, 2017

See accompanying notes to report.

**Yavapai County Community College District
(Yavapai College)
Annual budgeted expenditure limitation report—part II
Year ended June 30, 2016**

Description	Current funds			Plant funds		Total
	Unrestricted		Restricted	Unexpended	Retirement of indebtedness	
	General	Auxiliary enterprises				
A. Total budgeted expenditures	\$ 39,931,101	\$ 4,082,714	\$ 13,727,019	\$ 8,426,552	\$ 6,892,392	\$ 73,059,778
B. Less exclusions claimed:						
Debt service requirements on bonded indebtedness (Note 3)					6,888,586	6,888,586
Dividends, interest, and gains on the sale or redemption of investment securities (Note 4)	57,269			26,343	3,806	87,418
Grants and aid from the federal government (Note 5)			11,225,023			11,225,023
Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes (Note 6)	76,643	394,406	563,994	30,165		1,065,208
Amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements (Note 2)				1,417,633		1,417,633
Tuition and fees (Note 7)	<u>8,996,589</u>	<u>766,091</u>				<u>9,762,680</u>
Total exclusions claimed	<u>9,130,501</u>	<u>1,160,497</u>	<u>11,789,017</u>	<u>1,474,141</u>	<u>6,892,392</u>	<u>30,446,548</u>
C. Amounts subject to the expenditure limitation	<u>\$ 30,800,600</u>	<u>\$ 2,922,217</u>	<u>\$ 1,938,002</u>	<u>\$ 6,952,411</u>	<u>\$ -</u>	<u>\$ 42,613,230</u>

See accompanying notes to report.

**Yavapai County Community College District
 (Yavapai College)
 Notes to annual budgeted expenditure limitation report
 Year ended June 30, 2016**

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 by the Arizona Constitution, Article IX, §21, 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 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 on the annual financial statements.

Note 2

Yavapai County Community College District claimed an exclusion of \$1,417,633 for amounts accumulated for the purchase of land and the purchase or construction of buildings or improvements. This amount is included as part of the \$8,464,266 reported as purchases of capital assets on the statement of cash flows—primary government.

Note 3

The exclusions claimed for debt service requirements on bonded indebtedness is \$6,888,586. This amount is reported as principal and interest paid on capital debt on the statement of cash flows—primary government.

Note 4

The following schedule presents exclusions claimed for dividends, interest, and gains on the sale or redemption of investment securities:

Investment earnings reported on the statement of revenues, expenses, and changes in net position—primary government	\$100,452
Interest income not excludable	<u>(13,034)</u>
Total	<u>\$ 87,418</u>

Note 5

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

**Yavapai County Community College District
(Yavapai College)
Notes to annual budgeted expenditure limitation report
Year ended June 30, 2016**

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

Government grants	<u>\$11,573,903</u>
Total	<u>\$11,573,903</u>

**Annual budgeted expenditure
limitation report:**

Grants and aid from the federal government	<u>\$11,225,023</u>
Total exclusions claimed	11,225,023
Other revenues (nonexcludable)	<u>348,880</u>
Total	<u>\$11,573,903</u>

Note 6

The following schedule presents revenues from which exclusions have been claimed for private and capital grants and gifts:

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

Capital grants and gifts	\$ 30,165
Private grants and gifts	<u>1,254,889</u>
Total	<u>\$1,285,054</u>

**Annual budgeted expenditure
limitation report:**

Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes	<u>\$1,065,208</u>
Total exclusions claimed	1,065,208
Amount carried forward	219,577
Lost carryforward	<u>269</u>
Total	<u>\$1,285,054</u>

Note 7

Yavapai County Community College District does not budget tuition and fees revenues net of scholarship allowances. Of the gross tuition and fees of \$11,451,176 reported on the statement of revenues, expenses, and changes in net position—primary government, only \$9,762,680 was claimed as an exclusion. Revenues of \$1,686,474 have been carried forward to future years, and \$2,022 of potential carryforward was lost.

