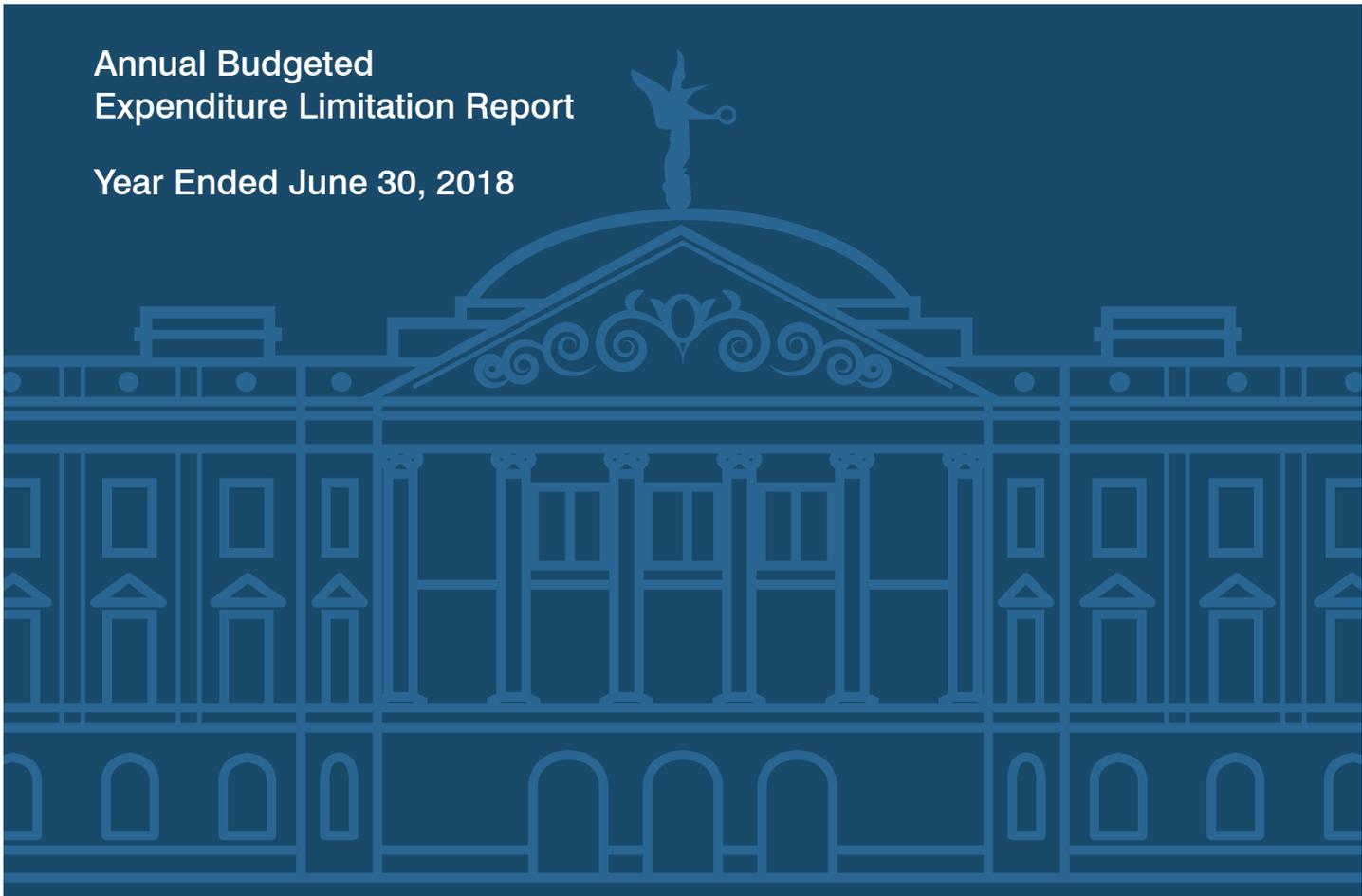


Yavapai County Community College District

Annual Budgeted
Expenditure Limitation Report

Year Ended June 30, 2018



A Report to the Arizona Legislature

Lindsey A. Perry
Auditor General





The Arizona Office of the Auditor General's mission is to provide independent and impartial information and specific recommendations to improve the operations of State and local government entities. To this end, the Office provides financial audits and accounting services to the State and political subdivisions, investigates possible misuse of public monies, and conducts performance audits and special reviews of school districts, State agencies, and the programs they administer.

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MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

ARIZONA AUDITOR GENERAL
LINDSEY A. PERRY

JOSEPH D. MOORE
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, 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 Uniform Expenditure Reporting System as described in Note 1 in all material respects.

Donna Miller, CPA
Director, Financial Audit Director

February 5, 2019



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

1. Economic Estimates Commission expenditure limitation	\$45,586,098
2. Amount subject to the expenditure limitation (total amount from part II, line C)	<u>44,870,438</u>
3. Amount under the expenditure limitation	<u>\$ 715,660</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: (Signature removed for website presentation.)

Name and title: Clint Ewell, Vice President of Finance and Administrative Services

Telephone number: (928) 776-2110 Date: February 5, 2019

See accompanying notes to report.

**Yavapai County Community College District
(Yavapai 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	\$ 44,608,000	\$ 4,634,800	\$ 13,840,500	\$ 10,971,500	\$ 6,903,300	\$ 80,958,100
B. Less exclusions claimed:						
Debt service requirements (Note 3)					6,900,309	6,900,309
Dividends, interest, and gains on the sale or redemption of investment securities (Note 4)	108,611			53,779	2,991	165,381
Grants, aid, or contributions from the federal government, the State of Arizona, other political subdivisions, tribal governments, or special taxing districts			11,316,220			11,316,220
Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes (Note 5)	56,478	518,477	818,057			1,393,012
Amounts accumulated for purchases of land, and the purchase or construction of buildings or improvements (Note 2)				6,713,191		6,713,191
Tuition and fees (Note 6)	8,374,728	760,198				9,134,926
Amounts received from the State of Arizona on workforce development in accordance with A.R.S. §15-1472 (Note 7)			464,623			464,623
Total exclusions claimed	<u>8,539,817</u>	<u>1,278,675</u>	<u>12,598,900</u>	<u>6,766,970</u>	<u>6,903,300</u>	<u>36,087,662</u>
C. Amounts subject to the expenditure limitation	<u>\$ 36,068,183</u>	<u>\$ 3,356,125</u>	<u>\$ 1,241,600</u>	<u>\$ 4,204,530</u>	<u>\$ -</u>	<u>\$ 44,870,438</u>

See accompanying notes to report.

**Yavapai County Community College District
(Yavapai 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 Arizona Revised Statutes (A.R.S.) §41-1279.07. The ABELR excludes expenditures of certain revenues specified by 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 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

The District claimed an exclusion of \$6,713,191 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 \$9,684,946 reported as purchases of capital assets on the statement of cash flows—primary government.

Note 3

The exclusion claimed for debt service requirements includes the amounts 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	\$195,500
Interest income not excludable	<u>(30,119)</u>
Total	<u>\$165,381</u>

Note 5

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

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

Statement of revenues, expenses and changes in net position—primary government:		Annual budgeted expenditure limitation report:	
Private grants and gifts	\$1,393,012	Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes	\$1,393,012
Capital grants and gifts	<u>4,429</u>	Grants and gifts not excludable	<u>4,429</u>
Total	<u>\$1,397,441</u>	Total	<u>\$1,397,441</u>

Note 6

The District does not budget tuition and fees revenues net of scholarship allowances. Of the gross tuition and fees of \$11,985,895 reported on the statement of revenues, expenses, and changes in net position—primary government, only \$9,134,926 was expended and claimed as an exclusion. Revenues of \$2,850,969 have been carried forward to future years.

Note 7

Amounts received from the State of Arizona for workforce development in accordance with A.R.S. §15-1472 are reported as the share of state sales taxes on the statement of revenues, expenses, and changes in net position—primary government. Of these excludable revenues, only \$464,623 was expended and claimed as an exclusion. The remaining \$260,387 has been carried forward to future years.

