

YUMA/LA PAZ COUNTIES COMMUNITY COLLEGE DISTRICT  
(ARIZONA WESTERN COLLEGE)

REPORT ON AUDIT OF ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT

YEAR ENDED JUNE 30, 2004

YUMA/LA PAZ COUNTIES COMMUNITY COLLEGE DISTRICT  
(ARIZONA WESTERN COLLEGE)  
**REPORT ON AUDIT OF ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT**  
YEAR ENDED JUNE 30, 2004

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**CRONSTROM & TRBOVICH**

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT**

The Auditor General of the State of Arizona

Members of the Arizona State Legislature

The Governing Board of  
Yuma/La Paz Counties Community College District

We have audited the accompanying Annual Budgeted Expenditure Limitation Report of the Yuma/La Paz Counties Community College District, for the year ended June 30, 2004. This report is the responsibility of the Yuma/La Paz Counties Community College District management. Our responsibility is to express an opinion on this report based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the report is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the report. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall report presentation. We believe that our audit provides a reasonable basis for our opinion.

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 generally accepted accounting principles.

In our opinion, the Annual Budgeted Expenditure Limitation Report of the Yuma/La Paz Counties Community College District, for the year ended June 30, 2004, referred to above presents fairly, in all material respects, the information required by the uniform expenditure reporting system on the basis of accounting described in Note 1.

This report is intended solely for the information and use of the members of the Arizona State Legislature and the Governing Board, 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.

Cronstrom & Trbovich, P.C.

November 18, 2004

YUMA/LA PAZ COUNTIES COMMUNITY COLLEGE DISTRICT  
(ARIZONA WESTERN COLLEGE)  
ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT - PART I  
YEAR ENDED JUNE 30, 2004

1. Economic Estimates Commission expenditure limitation	\$ <u>29,500,103</u>	
2. Total amount subject to the expenditure limitation (from Part II, Line C)	21,442,176	
3. Less expenditures of monies received pursuant to Arizona Revised Statutes 15-1472 (workforce development)	<u>(559,461)</u>	
4. Adjusted amount subject to the expenditure limitation		<u>20,882,715</u>
5. Amount under the expenditure limitation		\$ <u><u>8,617,388</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: Daniel D. Hann, Vice President for Business and Administration

Telephone No: (928) 344-7515 Date: \_\_\_\_\_

YUMA/LA PAZ COUNTIES COMMUNITY COLLEGE DISTRICT  
 (ARIZONA WESTERN COLLEGE)  
 ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT - PART II  
 YEAR ENDED JUNE 30, 2004

Description	Current Funds				Plant Funds			Total
	Unrestricted		Auxiliary Enterprises	Restricted	Unexpended	Retirement of Indebtedness	Total	
	General							
A. Total budgeted expenditures	\$ 22,810,441	\$ 2,791,594	\$ 12,466,596	\$ 1,514,762	\$ 2,147,732	\$ 41,731,125		
B. Less exclusions claimed:								
Debt service requirements on bonded indebtedness					2,147,732	2,147,732		
Dividends, interest and gains on sale or redemption of investment securities	104,980	17,167	1,832	16,913		140,892		
Grants and aid from Federal government		30,988	10,901,328			10,932,316		
Grants, aid, contributions or gifts from a private agency, organization or individual except amounts received in lieu of taxes			354,512			354,512		
Amounts received from the State for the purchase of land, and the purchase or construction of buildings or improvements					262,577	262,577		
Interfund transactions	251,995	1,801				253,796		
Tuition and fees	3,382,835	1,782,682				5,165,517		
Prior years carryforward	1,026,984	4,623				1,031,607		
Total exclusions claimed	4,766,794	1,837,261	11,257,672	279,490	2,147,732	20,288,949		
C. Amounts subject to expenditure limitation	\$ 18,043,647	\$ 954,333	\$ 1,208,924	\$ 1,235,272	\$ -	\$ 21,442,176		

YUMA/LA PAZ COUNTIES COMMUNITY COLLEGE DISTRICT  
(ARIZONA WESTERN COLLEGE)  
**NOTES TO BUDGETED ANNUAL EXPENDITURE LIMITATION REPORT**  
YEAR ENDED JUNE 30, 2004

**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.

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 assets, changes in net assets, and cash flows for the District as a whole 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 debt service requirements on bonded indebtedness of \$2,147,732 is comprised of the amounts reported as principal paid on capital debt and interest paid on capital debt on the Statements of Cash Flows.

**Note 3** - Of the investment income of \$181,786 reported on the Statement of Revenues, Expenses, and Changes in Net Assets, only \$140,892 was claimed as a exclusion. Of the remaining \$40,894, \$3,486 was interest of the Loan Fund, which was not excludable, and \$37,408 of Retirement of Indebtedness Fund which has been carried forward to future years.

**Note 4** - Government grants and contracts revenues of \$11,611,113 reported on the Statement of Revenues, Expenses, and Changes in Net Assets include \$10,966,634 from federal grants and contracts. Of these excludable revenues, only \$10,932,316 was claimed as an exclusion. The remaining \$34,318 has been carried forward to future years.

**Note 5** - Amounts received from the State of Arizona for the purchase of land, and the purchase or construction of buildings or improvements of \$360,262 are included in capital appropriations on the Statement of Revenues, Expenses, and Changes in Net Assets. Of these excludable revenues, only \$262,577 was claimed as an exclusion. The remaining \$97,685 has been carried forward to future years.

YUMA/LA PAZ COUNTIES COMMUNITY COLLEGE DISTRICT  
 (ARIZONA WESTERN COLLEGE)  
**NOTES TO BUDGETED ANNUAL EXPENDITURE LIMITATION REPORT**  
 YEAR ENDED JUNE 30, 2004

**Note 6** - Interfund transactions expended and claimed in the General Fund as an exclusion are indirect costs recovered, that were budgeted as General Fund revenue and Restricted Fund expense. These interfund transactions were excluded from the financial statements.

**Note 7** - Prior year 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:

<u>Description</u>	<u>Current General Fund</u>	<u>Current Auxiliary Fund</u>
Tuition and fees	<u>\$ 1,026,984</u>	<u>\$ 4,623</u>
Total prior years carryforward expended	<u><u>\$ 1,026,984</u></u>	<u><u>\$ 4,623</u></u>