

Maricopa County Community College District

Phoenix, Arizona

Chandler-Gilbert

Estrella Mountain

GateWay

Glendale

Mesa

Paradise Valley

Phoenix

Rio Salado

Scottsdale

South Mountain



Paradise Valley Community College

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2024





Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2024

**Maricopa County Community College District
Phoenix, Arizona**

Prepared by
Division of Business Services



Maricopa County Community College District
Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2024

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Introductory Section

December 19, 2024

To the Citizens of Maricopa County:

I am pleased to submit the Annual Comprehensive Financial Report for the year ending June 30, 2024. I invite you to read through the report, which reflects on the progress and achievements made by the Maricopa County Community College District (MCCCD) during the 2023-24 fiscal year—including enrollment growth, awarding our first-ever baccalaureate degrees, and workforce development initiatives.

During the 2023-24 fiscal year, MCCCD experienced a 3.8 percent increase in enrollment over the previous academic year. Following a nationwide decline among higher education institutions, this increase serves as a testament to the system's resilience, innovation, and the collective efforts of more than 10,000 faculty, staff, and administrators. Across our 10 colleges and 31 satellite locations, we continue to provide access to affordable, flexible, high-quality higher education in support of more than 140,000 students. Together, we have laid the foundation for the initiatives and goals that will continue to position MCCCD as a leader in higher education and propel the system into its next era.

Celebrating Breakthrough Moments

In fall 2023, we proudly launched our first baccalaureate degree programs, offered at seven of our 10 colleges. Of the students enrolled, 60 percent are first-generation, 32 percent are first-time college-goers, 43 percent identify as Hispanic/Latino, and nearly 60 percent are continuing or former MCCCD students. When developing these programs, we were intentional in ensuring tuition remains affordable and that programs support regional workforce needs. Tuition for 300- and 400-level courses is \$145.50 per credit hour, saving students approximately \$7,000 to \$10,000 each year compared to a traditional university's average annual tuition costs. As a system, we remain committed to removing barriers and expanding opportunities for those who may not have the financial means to pursue a traditional four-year degree. During the spring 2024 commencement season, MCCCD reached an historic milestone by awarding Arizona's first-ever community college, four-year bachelor's degrees. The first recipients include two graduates from Rio Salado College's Bachelor of Applied Science in Public Safety Administration (BAS) and four from South Mountain



Community College's (SMCC) Bachelor of Science in Behavioral Sciences (BS). Since introducing our inaugural bachelor's degree programs, MCCCDC has seen a remarkable response, with over 4,300 students currently enrolled. Pending approval from the Higher Learning Commission, we intend to introduce three additional baccalaureate offerings in fall 2025, including Artificial Intelligence and Machine Learning (BS) at Chandler-Gilbert Community College (CGCC), Business Administration–Accounting (BBA) at Paradise Valley Community College (PVCC), and Business Administration–Management (BBA) at Scottsdale Community College (SCC).

Setting Standards of Excellence

In another defining moment for the system, First Lady of the United States, Dr. Jill Biden, delivered the keynote address at Mesa Community College's (MCC) commencement ceremony—marking her third visit to our colleges. Throughout the spring semester, many of our campuses welcomed local, state and national leaders to witness the success of our workforce training programs. In January, GateWay Community College (GWCC) hosted Under Secretary of Education James Kvaal, who toured the college's state-of-the-art healthcare facilities, underscoring the vital role community colleges play in swiftly integrating students into the workforce. In April, U.S. Deputy Secretary of Commerce Don Graves learned how Phoenix College utilizes advanced technology in support of minority students, equipping them with the skills needed to excel in today's rapidly changing job market. In May, U.S. Secretary of the Treasury Dr. Janet Yellen visited MCC's cutting-edge automated industrial technology and construction trades labs to see firsthand how high-tech tools are being used in classroom settings to prepare students for roles in advanced manufacturing and



construction trades. Finally, U.S. Secretary of Education Dr. Miguel A. Cardona, met with administrators, community organizations, students and their families during a convening at SMCC, which highlighted MCCCDC's role in addressing Arizona's behavioral health workforce needs. As a leader in regional workforce development, MCCCDC continues to garner national attention for our innovative programs and successful industry partnerships that effectively address regional labor market needs and empower students to build long-lasting and meaningful careers.

A Catalyst for Innovation

Arizona's advanced manufacturing industry is experiencing unprecedented growth. The state has emerged as a hub for semiconductor manufacturing due to the region's highly-skilled workforce,

tax credits and incentives, training programs, proximity to key markets, and land development opportunities. MCCCCD currently offers 31 degree and certificate programs that either directly or indirectly support semiconductor career training and development, including the Semiconductor Technician Quick Start—created in collaboration with Intel Corporation. To date, 900 students have completed the hands-on, boot-camp training taught by private industry instructors. Looking ahead, a \$1.7 million grant from Natcast will allow MCCCCD to expand the Quick Start training—currently offered at CGCC, Estrella Mountain Community College (EMCC), and MCC—to Glendale Community College (GCC), ensuring geographic coverage for individuals seeking training throughout the Valley.



Additionally, early efforts are underway as we prepare for the launch of the state's first semiconductor-focused Future48 Workforce Accelerator, slated for 2026. The forthcoming Fab Lab facility, produced in partnership with Arizona Governor Katie Hobbs and the Arizona Commerce Authority, will be housed at GWCC's Central City campus and offer customized, industry-led training. Working alongside industry partners, we hope to develop a first-of-its-kind training program to support the state's growing microelectronics industry.

Empowering Tomorrow's Healthcare Heroes

The 2023-24 academic year saw a year-over-year increase in enrollment for our behavioral health degree and certificate programs. As one of the largest integrated healthcare education systems, MCCCCD continues to expand healthcare programs, including behavioral health offerings, through strategic partnerships and funding initiatives. In August 2023, the Arizona Health Care Cost Containment System (AHCCCS) selected MCCCCD to lead a statewide, collaborative effort with all 10 Arizona community college districts to enhance the state's long-term care and behavioral health workforces. Together with AHCCCS, MCCCCD offered two transformative scholarship opportunities to empower students to make a difference in their communities through health professions and community-based services. In the fall 2023 semester, the Behavioral Health Scholarship awarded \$660,363 to 333 students, with each student receiving \$1,983 to support their educational and professional goals. In addition, 496 students received \$1,980 of Home and Community Based Services Career Education and Training Scholarships, totaling \$982,064 in scholarship awards. Amidst the state's severe healthcare staffing shortages, our colleges serve as

a vital link, connecting theory and practice with real-world experience—ultimately preparing students for future careers as dedicated healthcare professionals.

As the largest community college system in Arizona, we deliver \$11.7 billion in benefits and savings to our communities through the resources and services provided to our students. According to a recent economic impact survey conducted by Lightcast, one out of every 28 jobs in greater Phoenix is supported by the activities of our colleges and students. As conversations around the value of education grow, we remain steadfast in our belief that education has the power to transform lives. Community colleges, including MCCC, were designed to increase access to higher education and workforce training. It is incumbent upon us, as a system, to educate and train the next generation of skilled labor needed to support the county, state, and region's growing economy. I am confident the 2024-25 fiscal year will bring new advancements and opportunities as we continue to implement our strategic plan, *Excellence 26*, and fulfill our mission to ignite talent, transform lives, and enrich communities through teaching, learning, and service.



I look forward to sharing additional systemwide achievements in the forthcoming fiscal year.

Respectfully,

Steven R. Gonzales, Ed.D.
Chancellor
Maricopa County Community College District

December 19, 2024

To the Governing Board and Residents of the Maricopa County Community College District:

We are pleased to provide you with the Annual Comprehensive Financial Report (ACFR) of the Maricopa County Community College District (MCCCD; the District) for the fiscal year ended June 30, 2024 (FY 2024).

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. Disclosures necessary to enable the reader to gain an understanding of the District's financial status and activities have been included.

Management is responsible for establishing and maintaining internal controls, which ensure that assets are protected from loss, theft, or misuse, and ensuring that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

Audit services are provided to the MCCCD by the Arizona Auditor General. Arizona Revised Statutes require an annual audit of the District's financial statements. This requirement has been complied with and the Independent Auditors' Report is included in this document. The auditors' opinion is unmodified.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditors' Report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Reporting Entity

The District is an independent reporting entity within the criteria established by generally accepted accounting principles (GAAP) and the Governmental Accounting Standards Board (GASB). According to GASB Statement No. 14, the financial reporting entity consists of "a primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete." MCCCD is a primary government because it is "a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments". Although the District shares the same geographic boundaries with Maricopa County, financial accountability for all activities related to public community college education in Maricopa County is exercised solely by the District. In accordance with

Reporting Entity (continued)

GASB Statement No. 39, the financial activity of the Maricopa County Community College District Foundation is presented as a component unit of the District. The District is not included in any other governmental financial reporting entity.

Profile of Maricopa County Community College District

As a political subdivision of the State of Arizona, the MCCCCD is subject to the oversight of the District's Governing Board (the Board), which is comprised of seven elected members, five elected from geographical districts within Maricopa county and two at-large members representing the entire county. Board members are elected in staggered years to four-year terms. The Board is granted full authority from the Arizona Revised Statutes to oversee the business and educational needs of the District.

The District serves the educational needs of Maricopa County through ten accredited colleges and three skill centers. The colleges and skill centers are managed by ten college presidents. District-wide administrative and support services are centralized and administered by the Chancellor; Provost; Vice Chancellor, Business Services; Chief Human Resource Officer; Chief Information Officer; and Vice Chancellor, Community, Government Relations, and Economic Development.

History

The District was established in 1962 under the provisions of legislation enacted by the Arizona State Legislature in 1960. This legislation created the Arizona State Junior College System and provided for the formation of junior college districts on a county basis throughout the state. At that time there was one college in the system, Phoenix [Junior] College, founded in 1920. Today the District consists of ten regionally accredited colleges, comprising one of the nation's largest multi-college community college systems.

Geography/Population

Located in the south-central portion of the State of Arizona, Maricopa County (the County) qualifies as the major economic, political, and population center in the State. The area includes the Greater Phoenix Metropolitan Area, which is comprised of Phoenix, Glendale, Mesa, Scottsdale, Paradise Valley, Tempe, Peoria, Chandler, Gilbert, and other smaller cities and towns in addition to all the unincorporated areas of the County. Encompassing over 9,200 square miles, Maricopa County is the fourteenth largest county in land area in the continental U.S. and larger than seven states.

Maricopa County continues to have one of the fastest growing populations in the United States. According to the U.S. Census Bureau Population Division, the County's population is estimated to have increased by 16% in the 10-year period between the official census dates of April 2010 and April 2020. As of July 2023, the Arizona Office of Economic Opportunity estimated the County's population to be 4,665,020, making it the fourth most populated county in the nation.

Maricopa County has 62% of the State's total population and 66% of the total labor force. A majority of the County's labor force (87%) is employed in the service markets. These include trade, transportation, and utilities; professional and business services; educational and health services; government; leisure and hospitality; and financial activities.

Profile of Maricopa County Community College District (continued)

Types of Services

The District is the largest single provider of post-secondary education in Arizona – offering affordable education to over 159,000 individuals year-round in credit classes and over 6,000 individuals in special-interest/non-credit classes.

The District offers a wide range of quality academic, career and technical, and personal interest programs to meet the needs of students throughout Maricopa County. Students planning to transfer to a four-year institution may first complete the 35-credit hour Arizona General Education Curriculum core and/or an associate degree. The District offers the following associate degrees: Associate in Arts (including specialized degrees in Elementary Education and Fine Arts), Associate in Business, Associate in Science, Associate in General Studies, and Associate in Applied Sciences. Numerous Associate of Applied Science degrees and Certificates of Completion are available for students seeking technical expertise or upgrading skills in a specific career area. Non-credit personal interest courses are available in many areas including the arts, computer technology, personal development, and financial management.

Starting in FY 2024, the District began offering Bachelor's degree programs in Behavioral Sciences; Data Analytics and Programming; Early Childhood Education - Dual Language; Elementary Education and Special Education; Information Technology, Nuclear Medicine Technology and Computed Tomography; and Public Safety Administration. In addition, for those that already have a bachelor's degree, Arizona residents interested in bringing their skills and experience to the next generation of Arizona students may enroll in the Arizona Teachers Academy offered at two of the Maricopa Community Colleges. The programs offer post baccalaureate certifications to teach at the K – 12 levels.

Students may begin pursuing their educational aspirations as early as high school by enrolling in the District's dual enrollment program. Multiple Intergovernmental Agreements (IGA) with local high schools are in place to offer college level courses that may be counted toward both high school and college graduation requirements at the high school during the school day. In addition, the District provides university transfer partnerships with over 40 public, private and online institutions across the country and continues to be a pipeline for the State's four-year universities, primarily Arizona State University (ASU). By taking advantage of Northern Arizona University's (NAU) 90/30 Program, students are able to attend a Maricopa Community College and complete their bachelor's degree through NAU—located about 150 miles north of the valley—without ever leaving the valley. NAU is the only university in the state that offers a 90/30 bachelor's degree program where students can transfer up to 90 lower-division credits and complete 30 upper-division credits through NAU. In academic year 2023-2024, over 29,438 undergraduates enrolled at the three state universities had transferred 12 or more credits from MCCCDCD.

The District also offers Fast-Track Training certificates and Microcredential Pathway programs. Fast-track certificates consist of highly focused classes to help students master a specialized track in a particular study area in as little as two semesters. Microcredential Pathways consist of microcredentials developed with prominent employers to quickly prepare students for in-demand jobs. Both programs are designed where courses and certificates can be stacked to work toward a degree when student are ready to take their learning to the next level.

The District also provides a variety of direct services to the community. These include: KJZZ-FM Public Radio-91.5 (news/jazz); KBAQ-FM Public Radio-89.5 (classical); Sun Sounds Radio Reading Service (for the visually-impaired); the Small Business Development Center state-wide network; and two charter high schools with accelerated, career-focused programs offering concurrent college courses at central city college campuses.

State and Local Economy

The District is the largest provider of workforce training in Arizona, with programs in areas such as nursing and allied health, information technologies, business, construction and manufacturing, public services (police and fire science), and design fields. Through its Center for Workforce Development, the District has become well known both locally and nationally as the largest provider of job training in Arizona for new and expanding companies and enjoys ongoing success in forging partnerships with business and industry. The District, the State's other community college districts and public universities, and private colleges, universities and technical institutes, play a key role in providing the necessary workforce development and job training offerings to meet the needs of the state's employment markets. This solid infrastructure of educational institutions significantly contributes to the dynamic performance of the Arizona workforce and its economy.

Employment in Arizona increased by 286,058 jobs from 3,126,196 jobs in the second quarter of 2021 to 3,412,254 jobs in the second quarter of 2023. The Office of Economic Opportunity within the Arizona Department of Administration projected Arizona's economy to grow steadily for the calendar years 2023-2025. Specifically, Arizona's jobs are projected to increase to 3,514,910 in 2025, which indicates an estimated net growth of 102,656 jobs. This translates into 1.5% annualized growth for the two-year period. In August 2024, Arizona's seasonally adjusted nonfarm employment increased by 65,800 jobs (2.1%) to 3,259,000 and the unemployment rate was 3.4%, a year-over-year decrease of 0.7%.

Long-term Financial and Operational Planning

The District engages in an annual financial planning cycle that involves all levels of the organization. This planning process provides a framework to advance the District's vision, mission and goals in order to meet the needs of the students and community.

Budget and financial policies, approved by the Board, provide guidance for sufficient planning of resources, appropriate divisions between operational and capital activity, and adequate reserve levels for revenue shortfalls or expenditure needs. Fiscal integrity is the cornerstone upon which the District plans, monitors, and reports its financial activities and resources. Particular emphasis is placed on maintaining the financial stability of the District and the annual budget is developed with this objective. Goals for financial stability enable the District to manage revenue shortfalls and cash flows to ensure continued operations and to provide for unforeseen contingencies without impairing the quality of service needed to respond to its customers.

This planning process and policy guidance support the development of the District's long-term operational planning which is included each year in the annual budget and related presentations. This multi-year plan helps the District align its key components of strategic and financial planning with estimated trends in funding as well as linking long-term strategic directions with estimated long-term budget resources.

Budget Process

The District's elected Governing Board establishes policy and sets goals and priorities. With an eye toward shared governance, the Chancellor has established an Advisory Budget Council (ABC) comprised of representatives from employee groups (faculty and staff), college presidents, college senior councils, and District Office leadership. The purpose of ABC is to discuss and provide recommendations to the Chancellor and the Chancellor's Executive Council (CEC) on resource projections and funding priorities for future budgets. These recommendations are the basis for a fiscally stable budget presented to the Governing Board for its consideration. At a public meeting in the spring, the Governing Board adopts a final budget at a public meeting no later than June 20.

Long-term Financial and Operational Planning (continued)

Financial Reporting

An automated financial accounting system captures all financial transactions and provides data for the preparation of this ACFR, including the audited financial statements. These statements present information on the financial position of the District and confirm that resources were adequate to cover the costs of providing services during the reporting period. The District's award-winning ACFR is distributed to the Board, executive management, the state legislature, federal and state agencies, bond-rating agencies, financial institutions and the general public. Internal management reports, customized to meet the information and decision-making needs at all levels of the organization, aid in the management of financial resources. The District also routinely monitors and reports on revenue collections and actual expenses compared to budget at each college. It carefully reviews fluctuations and implements strategies to remedy variances throughout the year.

Major Initiatives

The District embarked on a new strategic planning process during FY 2023 that included a comprehensive environmental scan; planning and future visioning sessions with the MCCCCD Governing Board and District leadership; and feedback surveys, interviews and focus group participation with faculty, staff, students, alumni and community stakeholders. The planning process upheld the District's shared governance practices, as the Governing Board, Chancellor, and Chancellor's Executive Council worked together to develop the plan. A systemwide Strategic Plan Steering Team will monitor the plan and provide annual recommendations on modifications and updates to activities, milestones and timelines, based on the evolving needs of students and the community. Designed to help the District become a forward-focused and agile organization equipped to respond to uncertainties, this strategic plan has a multi-year timeline that aims to establish direction while providing off-ramps that allow for recalibration as needed by adhering to constant feedback loops and launching new system-wide plans every three years.

The 2023 – 2026 systemwide strategic plan—*Excellence 2026*—provides a framework to align the District's current and future states and includes four key priorities: (1) student outreach and success; (2) economic resources and sustainability; (3) a cohesive identity; and (4) organizational talent.

Student Outreach and Success

Student outreach and success are primary pillars of the strategic plan. The District strives to create an educational environment where every individual is supported, motivated and inspired to overcome barriers, transforming aspirations into tangible achievements. The District launched a stop-out student outreach campaign in June 2024 aiming to increase enrollment of the stop-out student population by 5-7%. The campaign is multi-pronged and outreach will occur via social media retargeting, including email and text messaging, to follow up with students interested in returning to MCCCCD and to assist them with their specific needs to re-enroll.

Economic Resources and Sustainability

The backbone of the District's growth lies in fostering economic resources and sustainability. The District is committed to charting a path dedicated to fortifying a solid financial foundation, enhancing technological capabilities and diversifying revenue streams to ensure continued success.

Major Initiatives (continued)

A Cohesive Identity

While celebrating the diverse aspects of our system, creating a more cohesive identity by enhancing collaboration is central to the District's forward progression. Creating a dynamic and integrated framework, which includes academic, enrollment management, facilities and technology, the District will more effectively meet student needs and enhance their ability to seamlessly access support across all colleges.

Organizational Talent

Organizational talent forms the bedrock of the District's success and serves as a catalyst for excellence. Plans are underway to revolutionize how the District recruits, develops and empowers a thriving workforce that will attract diverse, passionate individuals who will cultivate a culture of continuous improvement and shape the future of our educational community.

In September 2023, the District identified an optimal way to utilize performance management to elevate services while supporting employee growth. A district-wide performance model for staff, Performance Success was launched to build opportunities for supervisors and employees to build relationships through collaboration; focus on employee growth and success; and align work for organizational impact. The model empowers employees to collaborate in innovative solutions and processes while setting their sights on goals that have significant organizational impact. It also paves the way for employees to grow their skills, experiences and careers within the District.

Over several years, strategic commitments were identified to further the District's objective to increase student success and completion rates. To achieve these commitments and better meet the needs of students and the community, the District embarked on a transformation plan and committed resources to see its implementation. As a community of colleges serving a large and diverse metropolitan area, shifting our culture from 10 individual colleges to a system of colleges working together to support students and the community, will enable the District to be more entrepreneurial, increase efficiency and collaboration, and better leverage resources across the system. The District's transformation is focused on three primary areas: Guided Pathways and Student Support, Industry Partnerships, and Enterprise Performance.

Guided Pathways and Student Support

Research shows that students are more likely to complete on time if they identify a career goal early on, have a clear outline of the courses required, and receive consistent guidance and support along the way. We have structured our colleges to more effectively support students from the time they seek access through successful completion of a course of study and receive a certification, associate's degree, or transfer to a higher education institution. Guided Pathways represents a comprehensive approach to improving student completion and provides students with more clarity about the steps necessary to achieve their educational goals. Additional guidance from counseling or advising early in students' journeys increases the likelihood of completion (transfer or career placement).

Industry Partnerships

Robust relationships between colleges and local employers are critical to building strong workforce development programs for students. Industry partners play a key role in curriculum development and credential validation to ensure graduates and certification holders have the right credentials to perform the necessary functions. Those same partners also can bring to life career options and work-based experiences that help students apply their education and potentially earn credits while earning wages. The District is

Major Initiatives (continued)

working to transform targeted industry sector programs into regional “institutes” involving multiple colleges and programs. These institutes will be managed centrally but deliver relevant credit and non-credit programs across each region targeted to fill critical labor market gaps. A single industry advisory board will be established for each sector representing the entire county and student offerings will include structured internships, apprenticeships, and other on-the-job and immersion experiences for students. Through these institutes, the District will establish partnerships that lead to meaningful changes to traditional curriculum and instructional practices and provide resources for community college faculty and staff to develop skills needed to design new curricula, teach integrated developmental, occupational and academic course work and better track student progress and employer needs.

Enterprise Performance

The focus of the strategic commitments at their core is students and much of the work in the previous areas rely heavily on the District’s employees and systems it has in place. Therefore, the District is placing significant emphasis on becoming more efficient and effective through both its human resources and enterprise systems. One effort is to ensure we have a robust and comprehensive talent management system that ensures we retain and attract the best and the brightest employees. Another effort will be to ensure we eliminate any unnecessary redundancies in our processing of transactions. Yet another is to fully implement a budget approach that allocates funds to where funds are most needed to achieve the goals of the District.

Public University Partnerships

Maricopa is committed to supporting and enhancing transfer partnerships with Arizona State University (ASU), Northern Arizona University (NAU), and the University of Arizona (UA). These partnerships are intended to increase the number of students who complete associate and bachelor’s degrees. Along with clear curriculum pathways, the transfer programs provide students with dedicated advising, scholarship opportunities, and support services. The Maricopa/ASU Alliance has grown steadily with over 200 university majors outlined through degree-to-degree pathways, which are tracked with a customized degree audit tool. The NAU Connection partnership offers Connect2NAU Joint Admission, and a variety of Bachelor’s degree programs, online or on-site at the Maricopa Community Colleges. The UA Bridge program includes prescribed program pathways as well as local advisement and events for UA-bound transfer students.

Residential/Adjunct Faculty Ratio

The District has initiated a plan that calls for 60% of the instructional load at each college to be taught by residential faculty. By implementing the 60:40 ratio, the District will support student success and retention through increased workforce stability, enhanced learning environments, and improved student engagement.

Capital Development Program

After decades of directing most capital expenditures toward facility expansion through significant capital bond programs, the District continues to reinvest in existing facilities and address significant deferred maintenance needs. A districtwide deferred maintenance study was launched with a consultant in 2017 to identify current and future maintenance requirements. Upon completion of the analysis, comprehensive project lists were developed for college and district office facilities. Additionally, projects and estimated costs for the next 10 years were prioritized based on the following investment criteria: reliability, asset preservation, safety/code, and economic opportunity. With support from the Governing Board, the District

Major Initiatives (continued)

launched a multi-year deferred maintenance program intended to address nearly 5,400 projects with an estimated 2019 repair/replacement value of \$378 million.

As of FY 2024, 1,208 projects have been completed or initiated at a total cost of approximately \$112.6 million. Efficiencies are sought whenever possible to maximize funding. For example, combining similar projects within a building, across multiple campuses or even district wide, may provide economies of scale, reduce mobilization costs, and reduce or eliminate multiple project rebuild/reinstall costs. Planning for projects starting in FY 2024 and beyond will include an inflation escalator to better capture current volatile market conditions.

In FY 2019, the District adopted a funding strategy for its capital needs, including the deferred maintenance program, which shifts a portion of the secondary property tax levy no longer needed for debt service to the primary levy to be used for capital needs. The shift in purpose of the levy allows the total property tax levy to continue to decline while providing the District an opportunity to forego the need to issue future taxpayer funded General Obligation bonds.

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Maricopa County Community College District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. This was the 33rd consecutive year that the District has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal regulations.

A Certificate of Achievement is valid for a period of one year only. We believe that the current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgment

We wish to thank the members of the Governing Board for their guidance and support in planning and conducting the financial operations of the District in a highly responsible and progressive manner. The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Division of Business Services and the College Business Offices. Appreciation is expressed to the Arizona Auditor General for timely completion of the audit.

Respectfully submitted,

Kimberly Brainard Granio, CPA
Vice Chancellor, Business Services & CFO

Dawn D. Rector, CPA, MBA
Associate Vice Chancellor, Business Services &
Controller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Maricopa County Community College District
Arizona**

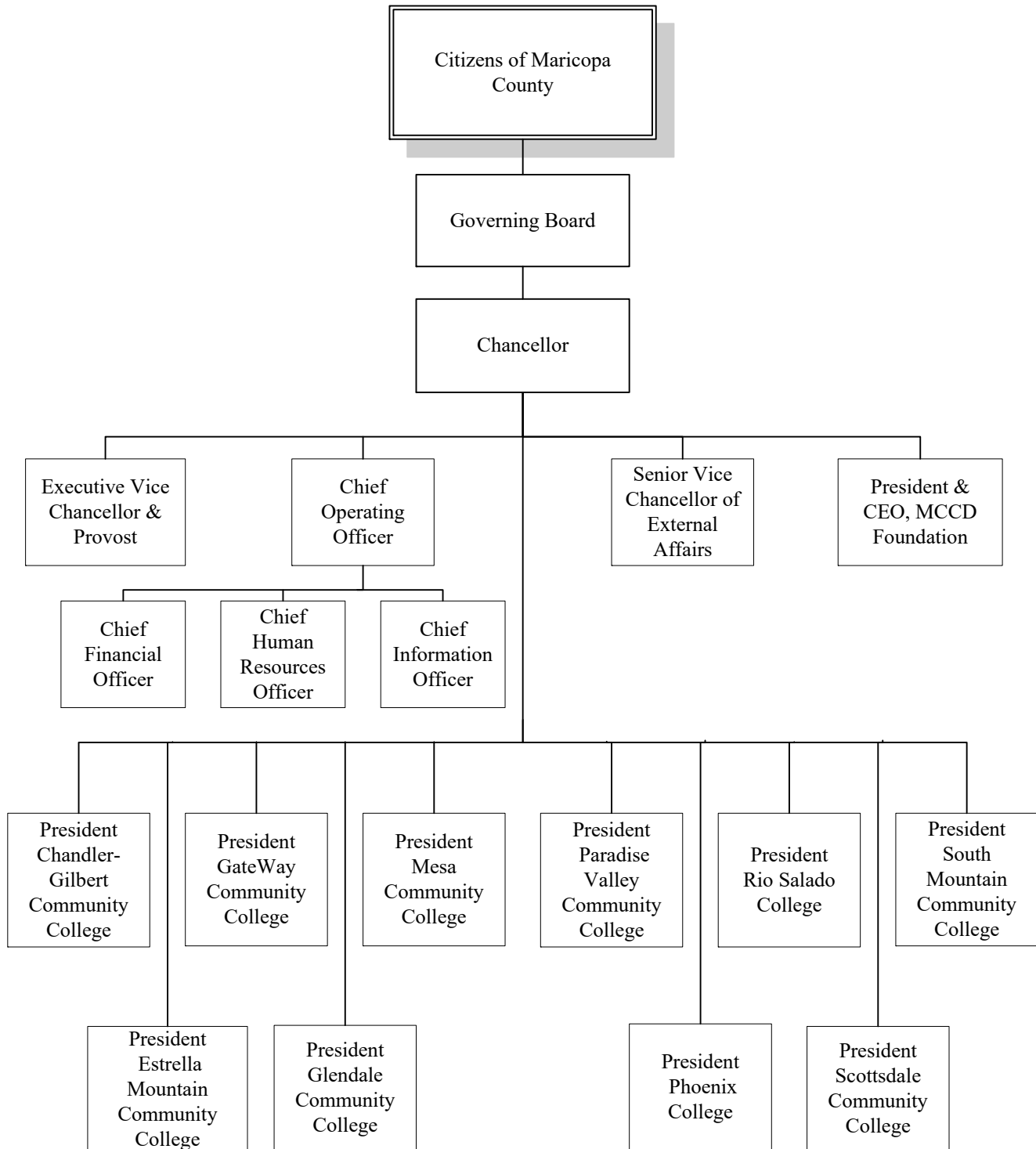
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

Maricopa County Community College District Organizational Chart



Maricopa County Community College District

Principal Officers

Governing Board

Ms. Susan Bitter Smith, *President*
Dr. Tom Nerini, *Secretary*
Ms. Kelli Butler
Ms. Donna Davis
Ms. Jacqueline Smith
Ms. Marie Sullivan
Dr. Linda Thor
Ms. Temya Jackson Long, *Student Member*

Administration

Dr. Steven R. Gonzales, *Chancellor*
Dr. Lisa Armour, *Executive Vice Chancellor and Provost*
Ms. Lee Ann Bohn, *Chief Operating Officer*
Vacant, *Senior Vice Chancellor of External Affairs*
Ms. Kimberly Granio, *Vice Chancellor and Chief Financial Officer*
Dr. Georgetta Kelly, *Vice Chancellor and Chief Human Resource Officer*
Mr. Gordon Wishon, *Interim Vice Chancellor and Chief Information Officer*
Mr. Brian Spicker, *President & CEO, MCCD Foundation*

College Presidents

Dr. CJ Wurster, *Interim President, Chandler-Gilbert Community College*
Dr. Rey Rivera, *President, Estrella Mountain Community College*
Dr. Amy Diaz, *President, GateWay Community College*
Dr. Tiffany Hernandez, *President, Glendale Community College*
Dr. Richard Daniel, *President, Mesa Community College*
Dr. Jana Schwartz, *President, Paradise Valley Community College*
Dr. Kimberly Britt, *President, Phoenix College*
Dr. Kate Smith, *President, Rio Salado College*
Dr. Eric Leshinskie, *President, Scottsdale Community College*
Ms. Veronica Hipolito, *President, South Mountain Community College*



Vision, Mission & Values

Vision

Excellence in education for a better world.

Mission

The Maricopa Community Colleges ignite talent, transform lives, and enrich communities through teaching, learning, and service.

Values

Student-Centric:

Students are the essence of our work; we partner with students as leaders and decision-makers in their own learning.

Integrity:

We foster a culture of honesty, trust, and transparency.

Collaboration:

We work together using system-thinking in pursuit of our vision and mission.

Inclusiveness:

We value all contributions and diverse perspectives.

Innovation:

We advance a culture that stimulates big ideas, creativity, and exploration.

Respect:

We treat each other with dignity, civility, and kindness.



Financial Section



LINDSEY A. PERRY
AUDITOR GENERAL

ARIZONA
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

Independent auditors' report

Members of the Arizona State Legislature

The Governing Board of
Maricopa County Community College District

Report on the audit of the financial statements

Opinions

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of the Maricopa County Community College District as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and discretely presented component unit of the District as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

We did not audit the financial statements of the discretely presented component unit. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based solely on the other auditors' report.

Basis for opinions

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the U.S. Comptroller General. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of matter

As discussed in Note 1 to the financial statements, for the year ended June 30, 2024, the District adopted new accounting guidance, Governmental Accounting Standards Board Statement No.100, *Accounting Changes and Error Corrections*. Our opinion is not modified with respect to this matter.

Management's responsibilities for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the audit's planned scope and timing, significant audit findings, and certain internal-control-related matters that we identified during the audit.

Required supplementary information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 20 through 28, schedule of the District's proportionate share of the net pension liability on page 64, and schedule of District pension contributions on page 65 be presented to supplement the basic financial statements. Such information is management's responsibility and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required

supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Schedule of revenues, expenses, and changes in net position by college/center

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of revenues, expenses, and changes in net position by college/center is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is management's responsibility and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the accompanying schedule of revenues, expenses, and changes in net position by college/center is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance on the other information.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will issue our report on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters at a future date. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Lindsey A. Perry

Lindsey A. Perry, CPA, CFE
Auditor General

December 19, 2024

Maricopa County Community College District Management's Discussion and Analysis For the Year Ended June 30, 2024

Our discussion and analysis of the District's financial performance provides an overview of the District's financial activities for the year ended June 30, 2024. Please read it in conjunction with the transmittal letter, which precedes this section, and the financial statements, which immediately follow.

For the fiscal year ended June 30, 2024, the District implemented the provisions of Government Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*. The District's financial statements and accompanying Notes to the Financial Statements – Note 2, as well as the Schedule of Net Position by Component in the Statistical Section reflect the reclassification of several categories of net position.

Basic Financial Statements

The District's financial statements are presented in accordance with pronouncements issued by the Governmental Accounting Standards Board (GASB), the authoritative body for establishing generally accepted accounting principles (GAAP) for state and local governments, including public institutions of higher education. These pronouncements permit public colleges and universities to use the guidance for special-purpose governments, engaged only in business-type activities, in their separately issued financial statements. As such, the reader will observe that the presentation format is a consolidated, single-column, entity-wide format, similar to the type of financial statements one might encounter from a typical business enterprise or a not-for-profit organization. The basic financial statements consist of the following:

The *Statement of Net Position* reflects the financial position of the District as of June 30, 2024. It shows the assets owned or controlled, deferred outflows of resources, related liabilities and other obligations, deferred inflows of resources, and the categories of net position. Net position is an accounting concept defined as total assets and deferred outflows less total liabilities and deferred inflows. As such, it represents the residual of all other elements presented in the Statement of Net Position of the District.

The *Statement of Revenues, Expenses, and Changes in Net Position* reflects the results of operations and other changes for the year ended June 30, 2024. It shows revenues and expenses, both operating and non-operating, and reconciles the beginning net position amount to the ending net position amount, which is shown on the *Statement of Net Position* described above.

The *Statement of Cash Flows* reflects the inflows and outflows of cash and cash equivalents for the year ended June 30, 2024. It shows the cash activities by type and reconciles the beginning cash and cash equivalents amount to the ending cash and cash equivalents amount, which is shown on the *Statement of Net Position*, described above. In addition, this statement reconciles cash flows from operating activities to operating loss on the *Statement of Revenues, Expenses, and Changes in Net Position* described above.

Basic Financial Statements (continued)

Although the primary focus of this document is on the results and activity for fiscal year 2023-24 (FY 2024), comparative data is presented for the previous fiscal year, 2022-23 (FY 2023). This Management's Discussion and Analysis (MD&A) uses the prior fiscal year as a reference point to illustrate issues and trends for determining whether the institution's financial health may have improved or deteriorated.

Condensed Financial Information

<i>Statement of Net Position</i>		
	<i>As of June 30, 2024</i>	<i>As of June 30, 2023</i>
Assets		
Current assets	\$764,638,364	\$702,462,367
Noncurrent assets, other than capital assets	39,605,649	59,050,633
Capital assets, net	668,052,535	703,441,234
Total assets	1,472,296,548	1,464,954,234
Deferred Outflows of Resources	64,323,167	81,163,954
Liabilities		
Other liabilities	112,736,612	67,546,291
Long-term liabilities	667,435,461	753,815,988
Total liabilities	780,172,073	821,362,279
Deferred Inflows of Resources	41,549,043	32,749,378
Net position		
Net investment in capital assets, as previously reported	548,339,653	517,893,442
Restatement for correction of an error	-	5,900,141
Net investment in capital assets, as restated	548,339,653	523,793,583
Restricted net position	159,953,191	122,724,771
Unrestricted net position, as previously reported	6,605,755	51,388,318
Restatement for correction of an error	-	(5,900,141)
Unrestricted net position, as restated	6,605,755	45,488,177
Total net position	\$714,898,599	\$692,006,531

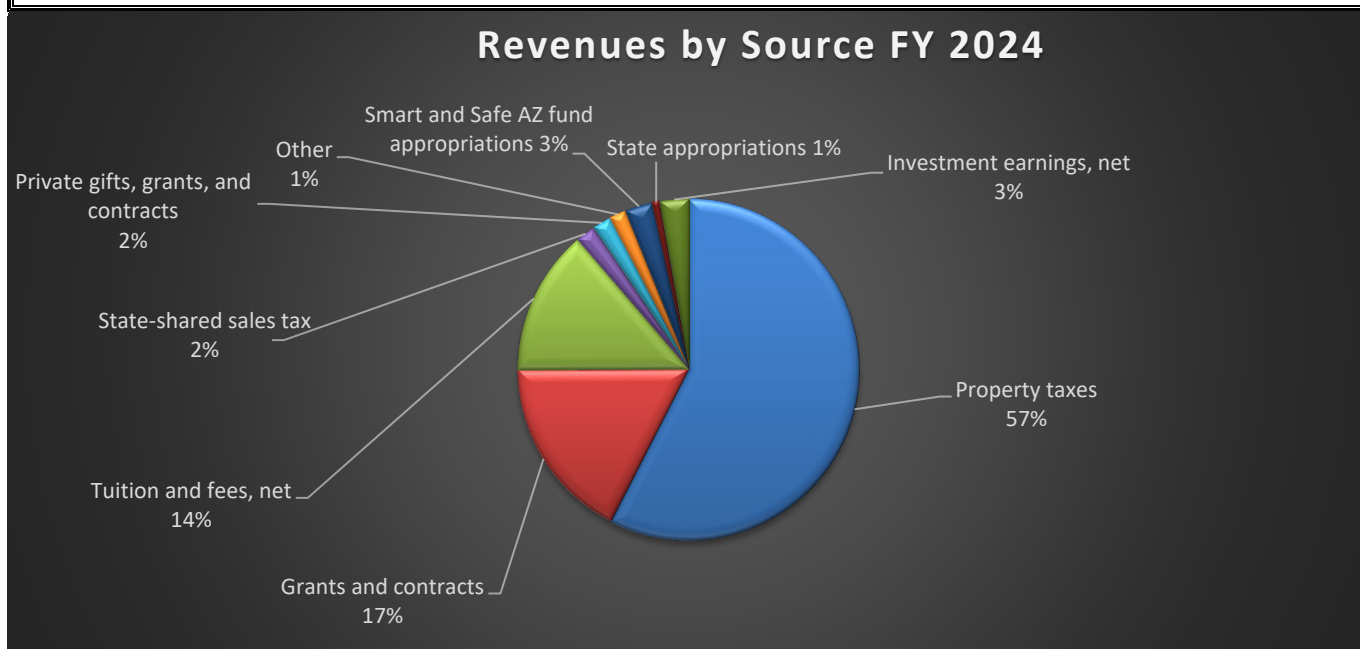
Condensed Financial Information (continued)*Statement of Revenues, Expenses, and Changes in Net Position*

	<i>For the Year Ended June 30, 2024</i>	<i>For the Year Ended June 30, 2023</i>
Operating revenues	\$167,872,086	\$143,501,871
Operating expenses:		
Educational and general	949,530,520	893,587,911
Auxiliary enterprises	52,739,336	38,655,039
Depreciation/amortization	64,957,108	54,988,858
Total operating expenses	1,067,226,964	987,231,808
Operating loss	(899,354,878)	(843,729,937)
Non-operating revenues and expenses	922,212,389	912,711,995
Income before other revenues, expenses, gains, or losses	22,857,511	68,982,058
Other revenues, expenses, gains, or losses	34,557	201,033
Change in net position	22,892,068	69,183,091
Net position, beginning of year	692,006,531	622,823,440
Net position, end of year	\$714,898,599	\$692,006,531

Condensed Financial Information (continued)

The following schedule presents a summary and comparison of revenues for the fiscal years ended June 30, 2024, and June 30, 2023.

<i>Revenues by Source</i>	FY 2024		FY 2023		Increase/(Decrease)	
	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Change</u>
<u>Operating revenues</u>						
Tuition and fees, net of scholarship allowance	\$150,483,282	14%	\$127,095,128	12%	\$23,388,154	18%
Other	17,388,804	1	16,406,743	2	982,061	6
Total operating revenues	167,872,086	15	143,501,871	14	24,370,215	17
<u>Non-operating revenues</u>						
Property taxes	627,452,957	57	623,187,484	58	4,265,473	1
State appropriations	7,927,600	1	8,584,900	1	(657,300)	(8)
Smart and Safe AZ fund appropriations	28,417,411	3	27,809,051	3	608,360	2
State-shared sales tax	20,055,440	2	19,336,531	2	718,909	4
Grants and contracts	189,861,149	17	203,078,146	19	(13,216,997)	(7)
Private gifts, grants, and contracts	19,808,857	2	20,161,731	2	(352,874)	(2)
Investment earnings, net of investment expense	29,396,817	3	13,891,465	1	15,505,352	112
Total non-operating revenues	922,920,231	85	916,049,308	86	6,870,923	1
Capital grants and gifts	34,557	0	201,033	0	(166,476)	(83)
Total revenues	\$1,090,826,874	100%	\$1,059,752,212	100%	\$31,074,662	3%

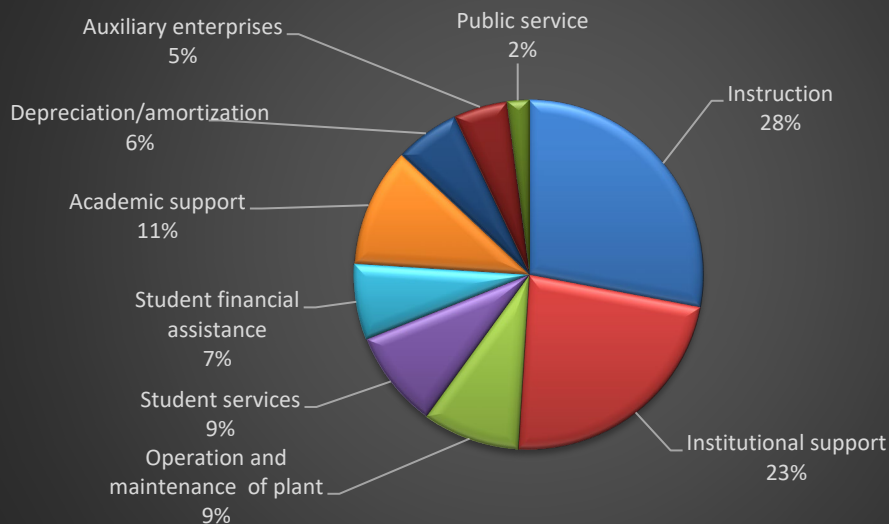


Condensed Financial Information (continued)

The following schedule presents a summary and comparison of expenses for the fiscal years ended June 30, 2024, and June 30, 2023.

<i>Expenses by Function</i>	FY 2024		FY 2023		Increase/(Decrease)	
	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Amount</u>	<u>Percent of Change</u>
Operating expenses						
Educational and general						
Instruction	\$298,876,759	28%	\$271,966,742	27%	\$26,910,017	10%
Public service	17,338,401	2	17,724,317	2	(385,916)	(2)
Academic support	117,516,510	11	101,627,784	10	15,888,726	16
Student services	99,420,620	9	76,858,516	8	22,562,104	29
Institutional support	248,055,431	23	257,153,794	26	(9,098,363)	(4)
Operation and maintenance of plant	93,544,163	9	91,210,940	9	2,333,223	3
Student financial assistance	74,778,636	7	77,045,818	8	(2,267,182)	(3)
Auxiliary enterprises	52,739,336	5	38,655,039	4	14,084,297	36
Depreciation/amortization	64,957,108	6	54,988,858	6	9,968,250	18
Total operating expenses	<u>1,067,226,964</u>	<u>100</u>	<u>987,231,808</u>	<u>100</u>	<u>79,995,156</u>	<u>8</u>
Non-operating expenses						
Interest expense on debt	615,604	0	2,240,326	0	(1,624,722)	(73)
Loss on sale or disposal of capital assets	92,238	0	1,096,987	0	(1,004,749)	(92)
Total non-operating expenses	<u>707,842</u>	<u>0</u>	<u>3,337,313</u>	<u>0</u>	<u>(2,629,471)</u>	<u>(79)</u>
Total expenses	<u>\$1,067,934,806</u>	<u>100%</u>	<u>\$990,569,121</u>	<u>100%</u>	<u>\$77,365,685</u>	<u>8%</u>

Expenses by Function FY 2024



Financial Highlights and Analysis

Statement of Net Position

The District's overall financial position grew in FY 2024 as the total net position improved by \$22.9 million over FY 2023. Total net position is comprised of the following sub-categories: net investment in capital assets, restricted, and unrestricted. The increase of \$24.5 million in net investment in capital assets results from a higher net book value for assets (\$5.3 million), which is offset by a decrease in related bonds payable due to debt service payments (\$52.9 million). Restricted net position increased by \$37.2 million. While gift, grant and contract revenues decreased by \$13.6 million, student financial assistance expenditures (SFA) decreased by \$2.3 million. Unrestricted net position decreased by \$38.9 million, primarily due to an accrual of \$44.7 million to account for fall 2024 property tax distributions planned to be withheld by Maricopa County.

In a Qasimyar (Q) v. Maricopa County (MC) class action case covering tax years 2015 through 2023, Q questioned the method the MC Assessor used to assess the Limited Property Values (LPV) of a residential property and the courts ruled in favor of Q. As a result, all MC taxing jurisdictions are impacted and each taxing district is responsible to contribute to the taxpayer refunds in proportion to their tax levy/rate. Although litigation has been ongoing since 2015, the District was not made aware of its obligation to pay back these monies until April 2024. MC anticipates decreasing the amount of fall 2024 property tax receipts distributed to the District by \$44.7 million, which includes principal and interest accrued during this nine-year period.

Total assets increased by \$7.3 million. Current assets increased \$62.2 million, primarily due to increases in interest received on investments. In addition to the \$60.3 million increase in cash; cash equivalents; and investments, current receivables increased by \$3.9 million, primarily due to government grants receivables. The total increase in current assets is offset by an \$18.7 million decrease in restricted cash and cash equivalents, reflecting the use of funds to support restricted expense activity, along with a net decrease in total capital assets of \$35.4 million, which is the result of a continuing decline in major capital acquisitions outweighed by depreciation and amortization.

The most significant components of long-term liabilities for the District are bonds payable and net pension liability. The decrease in long-term liabilities of \$86.4 million is primarily due to a combination of the payment of debt service and amortization of bond premiums (\$52.9 million), no issuance of any new debt, a decrease in the net pension liability of \$27.3 million, and decreases in lease and subscription liabilities of \$8.1 million, offset by an increase in compensated absence liability of \$1.9 million.

Upon implementation of GASB 87 *Leases* in fiscal year 2022 and GASB 96 *Subscription-Based Information Technology Arrangements (SBITA)* in fiscal year 2023, errors were made in the classification of the lease and SBITA activity as related to Net Investment in Capital Assets, Restricted – Expendable, and Unrestricted Net Position. The balances have been corrected in fiscal year 2024. Refer to Note 2 for more information concerning the impact of these errors on prior year balances. There were no changes to total Net position in either year.

Statement of Revenues, Expenses, and Changes in Net Position

The District has three major revenue sources in property taxes; grants and contracts; and tuition and fees. Total revenue for the District increased by \$31.1 million (3%) as a result of increases and decreases in these and various other categories. Total operating revenues increased by \$24.4 million (17%). While the District's enrollment continued to be lower than pre-pandemic levels, tuition and fees reflect a \$23.4 million (18%) increase over FY 2023, due primarily as a result of a Governing Board approved \$12 per credit hour tuition increase along with an unduplicated student headcount and full-time student equivalent (FTSE) increase of 4.4% and 4.3%, respectively. Other operating revenues increased by nearly \$1 million, which includes the District's recognition of employee and employer self-insurance contributions of \$64.0 million to cover related insurance expenses of \$76.5 million. The rising costs of insurance claims required an additional District contribution of \$2.4 million in FY 2024 and the District is reviewing a multi-faceted approach to managing this self-insurance fund.

Total Nonoperating revenues increased by \$6.9 million (1%). Property tax revenue rose by \$4.3 million; state STEM program funds to support workforce development and training programs decreased by \$0.6 million; and the Smart and Safe Arizona Fund appropriations increased by \$0.6 million. Grants and contracts decreased by \$13.2 million due to the completion of the Federal Higher Education Emergency Relief Funds (HEERF) from the Coronavirus Response and Relief Supplemental Appropriations Act of 2021. The large decrease from Institutional (\$29.0 Million) and HSI (\$8.2 M) HEERF funding was partially offset by increased revenue from additional COVID related programs such as Route to Relief (\$3.8 million), Promise Programs (\$2.2 million) and AHCCCS Funding (\$10.5M), as well as additional new funding from the Department of Economic Security (\$3.2 million) and the National Telecomm and Information Administration (\$1.2 million). Investment earnings increased by \$15.5 million due to favorable interest rates.

FY 2024 marked the fourth year of the District's multi-year strategic compensation plan, reflecting an overall \$26.3 million (4.1%) increase in salaries and benefits of \$26.0 and \$0.3 million, respectively. Residential and adjunct faculty instructional salaries increased by \$8.1 million, classified staff salaries increased by \$14.6 million, and the use of vacation and sick leave increased by \$2.3 million.

Total non-payroll expenses increased by \$71.3 million, with the lion's share of this increase related to the \$44.7 million accrual to account for the fall 2024 property tax distributions planned to be withheld by Maricopa County as previously noted. Additional increases include amortization of subscription-based information technology agreement (SBITA) assets (\$7.8 million), depreciation of equipment (\$2.2 million), student stipends (\$6.9 million) and utilities/communications (\$3.4 million).

Capital Assets and Debt Administration

The District's capital assets as of June 30, 2024, totaled \$668.1 million (net of accumulated depreciation/amortization). Capital assets include land, construction in progress, buildings, equipment, intangibles, improvements other than buildings, and library books. The District's total capital assets decreased as depreciation and amortization outpaced capital spending with the 2004 GO Bond program closing out in early FY 2020. The District has \$4.6 million in construction in progress with an estimated \$6,740 cost to complete. Additional information on capital assets can be found in Notes to Financial Statements – Note 5.

The District has issued nearly 100% of the \$951.4 million in GO bonds that were approved by voters in November 2004 and all remaining proceeds were expended early in FY 2020. Information on all of the District's bond issues is presented in greater detail in Notes to Financial Statements – Note 6.

Current Factors Having Probable Future Financial Significance

At the onset of the COVID-19 pandemic, the District moved nearly all of its operations and courses to a remote environment by the end of March 2020. Over the course of FY 2021 through FY 2024, the District increased its on-campus presence; however, a hybrid approach for both instruction and operations created a new normal. Federal Higher Education Emergency Relief Funds (HEERF) have been used to bolster the District's ability to provide more effective virtual learning and student support, including on-line tutoring and advising, as well as significant direct financial support to students and to re-engage students that have not continued their education. While the deadline to expend HEERF funded activities ended June 30, 2023, the effects of the pandemic continue to linger with enrollments remaining below pre-pandemic levels.

The District began to experience enrollment stabilization in FY 2022, which continued to increase in FY 2023 and more in FY 2024. Unduplicated student headcount increased by 4.4% over FY 2023 and, while this recovery is a good sign, the District's unduplicated headcount remains down 12.9% from pre-pandemic levels. Student course-taking behavior for course modality (online, in-person, and hybrid) changed dramatically during the pandemic with the reversal of in-person and online enrollment as the primary means to attend class, requiring the District to continue to adjust course offerings to meet the evolving course-taking behavior of students.

In fall 2022, the Higher Learning Commission (HLC) approved accreditation for seven Bachelor's degree programs at seven of our colleges to launch in fall 2023. In December 2022, MCCC's Governing Board approved a tuition rate for upper division (300/400 level) courses of 150% of the District's rate for lower division (100/200 level) courses. By June 30, 2023, after various press releases and expanded recruitment efforts, there were 2,562 applicants, 1,701 matriculated, and 681 students enrolled in the District's Bachelor's degree programs for the inaugural fall 2023 semester. Enrollment numbers continue to climb, with 9,180 applicants, 6,155 matriculated, and 3,389 students enrolled and taking classes by the end of June 2024. In May 2024, the District celebrated a monumental milestone, marking the first bachelor's graduates from a community college in the state of Arizona and setting a precedent for future graduates and highlighting the expanding opportunities available through community college education.

Conversations continue toward establishing a three to five-year plan for the development of bachelor's degrees as a system. In summer 2024, the HLC approved accreditation for the Registered Nurse to Bachelor of Science in Nursing (RN-BSN) degree, which will be open for enrollment in fall 2024, and the District is pursuing additional accreditation from the Accreditation Commission for Education in Nursing (ACEN) for the RN-BSN. Additionally, work is beginning on the design and development of three new degree programs for the fall 2025 cycle.

In an effort to maintain an affordable tuition rate as close to free as possible, the District has not raised tuition since FY 2017 and, in fact had a \$1 per credit hour decrease in FY 2019. After six years of maintaining a level tuition rate, it was determined that the District would need to raise the tuition rate from \$85 to \$97 per credit hour, which was approved by the Board in December 2022 effective for the 2023 – 2024 academic year.

Current Factors Having Probable Future Financial Significance (continued)

The District has not received operating support from the State of Arizona for several years and is primarily supported by property taxes and tuition and fees received from students. Both revenue streams are generally very stable; however, the District has an interest in finding a third revenue stream to support the system. To this end, efforts are underway to assess revenue generating opportunities with existing land and buildings which may be underutilized and repurposed to generate revenue for the system.

Arizona has a constitutional expenditure limitation (EL) provision which went into effect in 1980 and today, limits the District's ability to fully utilize its operational resources without incurring significant penalties (Article IX, Section 21, Constitution of Arizona). However, in 2021 and 2023, the State Legislature passed legislation establishing a de minimis penalty for exceeding the calculated expenditure limit up to a certain level for fiscal years ending 2022, 2023, 2024, and 2025. The District availed itself of this option of exceeding its expenditure limitation as it worked toward a longer-term solution for FY 2025-26. In March 2024, the District Governing Board approved a resolution to forward a ballot referral to Maricopa County voters in the November 2024 General Election to permanently adjust the base limit used to calculate the District's EL. Proposition 486, which permanently adjusts the EL base by \$52.8 million, passed on November 5, 2024, which allows the District to continue to support students across Maricopa County with flexible, high-quality and affordable education.

In the November 2020 General Election, the majority of voters in Arizona voted in favor of the *Smart and Safe Arizona Act*, or Proposition 207, allowing the legalization of cannabis for recreational use and taxing such sales at 16%. A portion of the revenue generated from this tax is dedicated to community college districts in Arizona for the purpose of investing in and providing workforce development programs, job training, career and technical education, and science, technology, engineering, and math (STEM) programs. The District saw an increase of \$0.6 million in additional revenues in FY 2024 to \$28.4 million, for a total of \$86.5 million over the four-year period and anticipates annual revenues of approximately \$25 million per year.

Requests for Information

This management discussion and analysis is designed to provide a general overview of the Maricopa County Community College District's finances for all those with an interest in such matters. Questions concerning any of the information provided in this Annual Comprehensive Financial Report or requests for additional financial information should be addressed to the Office of Financial Services and Controller; The Maricopa Community Colleges; 2411 W. 14th Street; Tempe, AZ 85281.

Maricopa County Community College District
Statement of Net Position – Primary Government
June 30, 2024

	Business-Type Activities
Assets	
Current assets:	
Cash and cash equivalents	\$ 359,045,919
Investments	298,027,298
Receivables (net of allowance of \$60,853,592)	106,474,549
Other	1,090,598
Total current assets	<u>764,638,364</u>
Noncurrent assets:	
Receivables (net of allowance of \$8,360)	42,758
Other	3,073,950
Restricted assets:	
Cash and cash equivalents	34,840,124
Receivables (net of allowance of \$314,439)	1,628,674
Other	20,143
Capital assets, not being depreciated/amortized	80,510,277
Capital assets, being depreciated/amortized, net	587,542,258
Total noncurrent assets	<u>707,658,184</u>
Total assets	<u>1,472,296,548</u>
Deferred Outflows of Resources	
Deferred charges on refunded bonds	1,106,532
Deferred outflows related to pensions	63,216,635
Total deferred outflows of resources	<u>64,323,167</u>
Liabilities	
Current liabilities:	
Accounts payable	14,574,109
Accrued liabilities	46,359,000
Settlement and other liabilities	44,809,928
Interest payable	1,804,442
Unearned revenues	5,189,133
Long-term liabilities - current portion	51,355,606
Total current liabilities	<u>164,092,218</u>
Noncurrent liabilities:	
Net pension liability	506,668,550
Compensated absences	35,892,002
Other long-term liabilities	73,519,303
Total noncurrent liabilities	<u>616,079,855</u>
Total liabilities	<u>780,172,073</u>
Deferred Inflows of Resources	
Deferred inflows related to pensions	40,318,310
Deferred inflows related to leases	1,115,953
Deferred grant receipts	114,780
Total deferred inflows of resources	<u>41,549,043</u>
Net Position	
Net investment in capital assets	548,339,653
Restricted:	
Nonexpendable:	
Endowments	251,132
Student loans	101,353
Expendable:	
Scholarships	1,538,885
Grants and contracts	126,899,716
Student loans	11,125
Debt service	31,150,980
Unrestricted	6,605,755
Total net position	<u>\$ 714,898,599</u>

See accompanying notes to financial statements.

Maricopa County Community College District
Statement of Financial Position – Component Unit
June 30, 2024

	Maricopa County Community College District Foundation
Assets	
Cash and cash equivalents	\$ 1,899,523
Pledges receivable, net of discount and allowance	676,149
Investments	66,438,771
Cash surrender value of life insurance	202,046
Scholarships paid in advance	20,492
Other assets	20,277
Total assets	<u>\$ 69,257,258</u>
Liabilities and Net Assets	
Accounts and scholarships payable	\$ 587,926
Charitable gift annuity liability	201,239
Deferred revenue	1,902,616
Total liabilities	<u>2,691,781</u>
Net assets:	
Without donor restrictions	3,841,757
With donor restrictions	62,723,720
Total net assets	<u>66,565,477</u>
Total liabilities and net assets	<u>\$ 69,257,258</u>

See accompanying notes to financial statements.

Maricopa County Community College District
Statement of Revenues, Expenses, and Changes in Net Position –
Primary Government
For the Fiscal Year Ended June 30, 2024

	Business-Type Activities
Operating revenues:	
Tuition and fees (net of scholarship allowance of \$64,662,903)	\$ 150,483,282
Other	17,388,804
Total operating revenues	<u>167,872,086</u>
Operating expenses:	
Educational and general:	
Instruction	298,876,759
Public service	17,338,401
Academic support	117,516,510
Student services	99,420,620
Institutional support	248,055,431
Operation and maintenance of plant	93,544,163
Student financial assistance	74,778,636
Auxiliary enterprises	52,739,336
Depreciation and amortization	64,957,108
Total operating expenses	<u>1,067,226,964</u>
Operating loss	<u>(899,354,878)</u>
Nonoperating revenues (expenses):	
Property taxes	627,452,957
State appropriations	7,927,600
Smart and Safe AZ fund appropriations	28,417,411
State-shared sales tax	20,055,440
Government grants and contracts	189,861,149
Private grants and contracts	2,776,536
Private gifts	17,032,321
Investment earnings, net of investment expense	29,396,817
Interest expense on debt	(615,604)
Loss on sale/disposal of capital assets	(92,238)
Total nonoperating revenues	<u>922,212,389</u>
Income before other revenues, expenses, gains, or losses	<u>22,857,511</u>
Capital grants and gifts	34,557
Change in net position	<u>22,892,068</u>
Net position July 1, 2023	<u>692,006,531</u>
Net position June 30, 2024	<u><u>\$ 714,898,599</u></u>

See accompanying notes to financial statements.

Maricopa County Community College District
Statement of Activities and Change in Net Assets – Component Unit
For the Year Ended June 30, 2024

Maricopa County Community College District Foundation

	Without donor restrictions	With donor restrictions	Total
Support and revenue:			
Contributions of financial assets	\$ -	\$ 10,242,877	\$ 10,242,877
Contributed space and services	1,936,243	-	1,936,243
Loss on uncollectible pledges	-	(10,899)	(10,899)
Investment return	910,736	4,744,822	5,655,558
Change in cash surrender value of life insurance	-	(13,927)	(13,927)
Total support and revenue before net assets released from restrictions	2,846,979	14,962,873	17,809,852
Net assets released from restrictions	10,612,914	(10,612,914)	-
Total support and revenue	13,459,893	4,349,959	17,809,852
Expenses:			
Program support	5,740,643	-	5,740,643
Scholarship expenses	3,960,756	-	3,960,756
Salaries, wages, and benefits	1,805,352	-	1,805,352
Office space	130,891	-	130,891
Professional services	249,050	-	249,050
Office expenses	88,658	-	88,658
Information technology	229,695	-	229,695
Community engagement	68,964	-	68,964
Other expenses	65,990	-	65,990
Total expenses	12,339,999	-	12,339,999
Change in net assets	1,119,894	4,349,959	5,469,853
Net assets, beginning of year	2,721,863	58,373,761	61,095,624
Net assets, end of year	\$ 3,841,757	\$ 62,723,720	\$ 66,565,477

See accompanying notes to financial statements.

Maricopa County Community College District
Statement of Cash Flows – Primary Government
For the Year Ended June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	Business-Type Activities
Tuition and fees	\$ 150,411,243
Payments for employee wages and benefits	(671,906,155)
Payments to providers of goods and services	(206,457,886)
Payments to students for grants and scholarships	(72,581,767)
Other custodial receipts	3,094,456
Other custodial disbursements	(3,242,973)
Other receipts	11,557,400
Net cash used for operating activities	<u>(789,125,682)</u>
 CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Property taxes	626,257,444
State appropriations	7,927,600
Smart and Safe AZ fund appropriations	28,417,411
State-shared sales tax	20,055,440
Grants and contracts	194,159,923
Federal direct student loans received	32,000,529
Federal direct student loans disbursed	(32,000,529)
Gifts received for other than operating or capital purposes	17,032,321
Net cash provided by noncapital financing activities	<u>893,850,139</u>
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from sale of capital assets	24,618
Purchase of capital assets	(24,071,528)
Principal paid on capital debt	(61,949,625)
Interest paid on capital debt	(5,288,787)
Net cash used for capital and related financing activities	<u>(91,285,322)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(3,105,510)
Interest received on investments	22,131,462
Net cash provided by investing activities	<u>19,025,952</u>
Net increase in cash and cash equivalents	<u>32,465,087</u>
Cash and cash equivalents - beginning of year	361,420,956
Cash and cash equivalents - end of year	<u><u>\$ 393,886,043</u></u>

(continued)
See accompanying notes to financial statements.

Statement of Cash Flows (continued)

Reconciliation of operating loss to net cash used for operating activities:

Operating loss	\$ (899,354,878)
Adjustments to reconcile operating loss to net cash used for operating activities:	
Depreciation and amortization	64,957,108
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:	
Net pension liability	(27,275,366)
Deferred outflows of resources related to pensions	15,734,254
Deferred inflows of resources related to pensions	8,863,784
Receivables	(1,159,909)
Other assets	2,424,229
Student loans receivable	3,209
Accounts payable	(212,037)
Other current liabilities	44,682,437
Accrued liabilities	371,253
Unearned revenue	(72,039)
Compensated absences	1,912,273
Net cash used for operating activities	<u>\$ (789,125,682)</u>

Noncash transactions:

Increase in fair value of investments. The fair value of investments increased by \$6,025,035.

Loss on sale of capital assets. The District incurred a loss of \$116,856 on the sale or disposal of capital assets.

Gifts of depreciable and non-depreciable assets. The District recorded the receipt of gifts of depreciable and non-depreciable assets of \$34,557.

Amortization of premium on bonds and deferred charges. The District amortized \$4,675,826 of bond premiums and \$1,106,532 of deferred charges.

Addition of SBITAs. The District had a non-cash addition of \$5,280,356 of SBITA liability in FY 2024 for GASB 96.

See accompanying notes to financial statements.

Maricopa County Community College District
Notes to Financial Statements
For the Year Ended June 30, 2024

NOTE 1 - Summary of Significant Accounting Policies

The accounting policies of the Maricopa County Community College District (the District) conform to generally accepted accounting principles applicable to public institutions engaged only in business-type activities adopted by the Governmental Accounting Standards Board (GASB).

For the year ended June 30, 2024, the District implemented the provisions of GASB Statement No. 100, *Accounting Changes and Error Corrections*, which is an amendment to GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). Refer to Note 2 for more information on the error corrections for fiscal year 2024.

Reporting Entity - The District is a special-purpose government that is governed by a separately elected governing body (the Board). It is legally separate and fiscally independent of other state and local governments. The District is not included in any other governmental reporting entity. The accompanying financial statements present the activities of the District (the primary government) and its discretely presented component unit, the Maricopa County Community College District Foundation (the Foundation).

The Foundation is a legally separate, tax-exempt organization. It acts primarily as a fund-raising organization that receives gifts and bequests, administers those resources, and disburses payments to or on behalf of the District for scholarships and programs. Although the District does not control the timing or amount of receipts from the Foundation, the Foundation's restricted resources can only be used by or for the benefit of the District or its constituents. Consequently, the Foundation is considered a component unit of the District and is discretely presented in the District's financial statements.

For financial reporting purposes, the Foundation follows Financial Accounting Standards Board (FASB) statements for not-for-profit organizations. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information included in the District's financial report. Accordingly, those financial statements have been reported on separate pages following the respective counterpart financial statements of the District. For financial reporting purposes, only the Foundation's statements of financial position and activities, as well as relevant notes to the financial statements, are included in the District's financial statements as required by generally accepted accounting principles for public colleges and universities. The Foundation has a June 30 year-end.

NOTE 1 - Summary of Significant Accounting Policies (continued)

During the year ended June 30, 2024, the Foundation distributed \$9,701,399 to the District for both restricted and unrestricted purposes. Complete financial statements for the Foundation can be obtained from the Foundation Office at 2419 W. 14th Street, Tempe, AZ 85281.

Basis of Presentation and Accounting - The financial statements include a Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Net Position; and a Statement of Cash Flows.

A statement of net position provides information about the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at the end of the year. Assets and liabilities are classified as either current or noncurrent. Net position is classified according to external donor restrictions or availability of assets to satisfy the District's obligations. Net investment in capital assets represents the value of capital assets, net of accumulated depreciation/amortization, less any outstanding liabilities incurred to acquire or construct the assets. Nonexpendable restricted net position includes gifts that have been received for endowment purposes and federal contributions for the Federal Perkins Loan Program, the corpus of which cannot be expended. Expendable restricted net position represents grants, contracts, gifts, and other resources that have been externally restricted for specific purposes. Unrestricted net position consists of all other resources, including those that have been designated by management to be used for other than general operating purposes.

A statement of revenues, expenses, and changes in net position provides information about the District's financial activities during the year. Revenues and expenses are classified as either operating or nonoperating, and all changes in net position are reported, including capital contributions and additions to endowments. Operating revenues and expenses generally result from exchange transactions. Accordingly, revenues, such as tuition and sales of auxiliary services, in which each party receives and gives up essentially equal values, are considered to be operating revenues. Other revenues, such as property taxes and educational grants result from transactions in which the parties do not exchange equal values and are considered nonoperating revenues. Operating expenses include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. Other expenses, such as interest expense on debt, are considered nonoperating expenses. When both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first. Internal transactions and activities, such as transfers between funds, revenues and expenses recorded for internal service activities, and certain internal revenues and expenses recorded for grant activity, have been eliminated for financial statement purposes.

A statement of cash flows provides information about the District's sources and uses of cash and cash equivalents during the year. Increases and decreases in cash and cash equivalents are classified as either operating, noncapital financing, capital and related financing, or investing.

NOTE 1 - Summary of Significant Accounting Policies (continued)

The financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenue in the year for which they are levied. State appropriations are recognized in the year in which the appropriation is first made available for use. Grants and donations are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Cash and Investments - For the Statement of Cash Flows, the District's cash and cash equivalents are considered to be cash on hand, cash in the bank, cash and investments held by the County Treasurer, investments in the State Treasurer's Local Government Investment Pool 7, and some investments purchased on behalf of the District by its investment manager. Cash equivalents are defined as investments with maturities of three months or less from the date of acquisition by the District.

All investments are stated at fair value.

Capital Assets - Capital assets of the District consist of land, buildings, improvements other than buildings, equipment, intangibles, and library books. Capital assets are reported at actual cost (or estimated historical cost if historical records are not available). Donated assets are reported at acquisition value. Major outlays for assets or improvements to assets are capitalized as projects are constructed. These are categorized as construction in progress until completed, at which time they are reclassified to the appropriate asset type. Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation/amortization methods, and estimated useful lives of capital assets reported in the financial statements are as follows:

<u>Asset Category</u>	<u>Capitalization Threshold</u>	<u>Depreciation/ Amortization Method</u>	<u>Estimated Useful Life</u>
Land	All	Not applicable	Not applicable
Buildings	\$100,000	Straight-line	40 years
Improvements other than buildings	\$5,000	Straight-line	20 years
Equipment	\$5,000	Straight-line	4-10 years
Library books	All	Straight-line	10 years
Intangibles:			
Software	\$5,000	Straight-line	4-10 years
Right-to-use subscription assets	\$1,000,000	Straight-line	Subscription term *
Right-to-use lease assets:			
Land	\$100,000	Straight-line	Lease term *
Land improvements	\$100,000	Straight-line	Lease term *
Buildings	\$100,000	Straight-line	Lease term *
Equipment	\$5,000	Straight-line	Lease term *

NOTE 1 - Summary of Significant Accounting Policies (continued)

* Intangible right-to-use subscription assets are amortized over the shorter of the lease term or the useful life of the underlying IT assets. Intangible right-to-use lease assets are amortized over the shorter of the lease term or the useful life of the underlying asset, unless the lease contains a purchase option that the District has determined is reasonably certain of being exercised—then the lease asset is amortized over the useful life of the underlying asset.

Compensated Absences - Compensated absences payable consists of vacation leave and a calculated amount of sick leave employees earned based on services already rendered. Employees may accumulate up to 536 hours of vacation depending on years of service and employee group, but they forfeit any unused vacation hours in excess of the maximum amount at calendar year-end. Sick leave benefits provide for ordinary sick pay and are cumulative. Sick leave balances are paid to a maximum amount at retirement or death for employees having at least 10 years of service. Accordingly, these benefits are accrued as a liability in the financial statements.

Scholarship Allowances – A scholarship allowance is the difference between the stated charge for goods and services provided by the District and the amount that is paid by the student or third parties making payments on behalf of the student. Accordingly, some types of student financial aid, such as Pell grants and scholarships the District awards, are considered to be scholarship allowances. These allowances are netted against tuition and fees revenues in addition to student financial assistance and auxiliary enterprises expenses in the Statement of Revenues, Expenses, and Changes in Net Position.

Investment Earnings - Investment earnings is composed of interest, dividends, and net changes in the fair value of applicable investments.

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Leases and subscription-based information technology arrangements

Leases

The District, as lessee, leases real estate and determines the classification of the lease at commencement of the contract. Leases that have a maximum possible term of 12 months or less are expensed based on the provisions of the contract. For all leases in excess of 12 months and that do not have mutual termination provisions, do not transfer the asset to the District by the end of the lease, and are an exchange or exchange-like transaction, the District recognizes an intangible right-to-use lease asset and a corresponding lease liability based on the thresholds described below. The lease liability is measured at commencement of the lease based on the present value of the

NOTE 1 - Summary of Significant Accounting Policies (continued)

payments expected to be made. The intangible right-to-use lease asset is initially measured as the lease liability, plus payments made before lease commencement, plus direct costs incurred to place the asset into service, less any incentives received prior to commencement.

Key estimates and judgements include the determination of the discount rate to calculate the present value of lease payments, the lease term, and the lease payments. The District utilizes the rate implicit in the lease when it is readily determinable, otherwise the District has used professional judgement to determine the best estimate of its incremental borrowing rate based on the District's most recent debt issuance rating.

The District's threshold for lease accounting, as both lessee and lessor, is for all leases where the present value of minimum lease payments is \$5,000 or more for equipment and \$100,000 or more for real estate.

For leases where the District is the lessor, the lease receivable is initially recorded as the present value of the future payments using the stated rate or, if not readily determinable, then at our incremental borrowing rate based on the District's most recent debt issuance rating. Over the lease term, the District recognizes revenue from interest income and the amortization of the deferred inflows of resources on a straight-line basis.

Subscription-based information technology arrangements

The District recognizes subscription liabilities with an initial, individual value of \$1 million or more. The District uses its estimated incremental borrowing rate to measure subscription liabilities unless it can readily determine the interest rate implicit in the arrangement. The District's estimated incremental borrowing rate is calculated as described above.

NOTE 2 – Error Corrections

During fiscal year 2024, error corrections resulted in reclassifications of several categories of net position: Net Investment in Capital Assets, Restricted – Expendable, and Unrestricted Net Position for fiscal years 2022 and 2023, as a result of incorrectly classifying certain activity related to the implementation of GASB 87, *Leases*, and GASB 96, *Subscription-Based Information Technology Arrangements (SBITA)*. There were no changes to total Net Position in either year. A schedule of the reclassifications is as follows:

NOTE 2 – Error Corrections (continued)

	Business-Type Activities	
	Fiscal Year	
	2023	2022
Net investment in capital assets, as previously reported	\$517,893,441	\$493,843,852
Restatement for correction of an error	5,900,141	(1,091,451)
Net investment in capital assets, as restated	<u>\$523,793,582</u>	<u>\$492,752,401</u>
Restricted – expendable, as previously reported	\$122,385,093	\$89,168,844
Restatement for correction of error	-	1,068,197
Restricted – expendable, as restated	<u>\$122,385,093</u>	<u>\$90,237,041</u>
Unrestricted, as previously reported	\$51,388,318	\$39,477,398
Restatement for correction of an error	(5,900,141)	23,254
Unrestricted, as restated	<u>\$45,488,177</u>	<u>\$39,500,652</u>

NOTE 3 - Deposits and Investments

Arizona Revised Statutes (A.R.S.) requires certain public monies to be collected by and deposited with the Maricopa County Treasurer. Such monies are the special tax levy for the District's maintenance and operation and secondary levy collections for the District's principal and interest payments on general obligation bonded indebtedness.

The statutes do not require the District to deposit other public monies with the County Treasurer; however, the District must act as a prudent person dealing with the property of another by following the statutory guidelines for investment decisions. The District invests in U.S. government securities, the State Treasurer's Local Government Investment Pools, corporate bonds, insured or collateralized deposits, and certificates of deposit. Equity mutual funds held by the District are the result of donations by third parties. The A.R.S. requires collateral for deposits at 102 percent of all deposits not covered by federal depository insurance. The statutes do not include any requirements for credit risk, interest rate risk, concentration of credit risk, or foreign currency risk for the District's investments.

Deposits

At June 30, 2024, total cash on hand was \$155,700. The carrying amount of bank deposits on the District's accounting system was \$30,994,064. At June 30, 2024, the District's bank balance was \$32,854,167. The District does not have a formal policy with respect to custodial credit risk.

NOTE 3 - Deposits and Investments (continued)

Investments

The District had total investments of \$660,763,577 at June 30, 2024. The District's investments at June 30, 2024, categorized within the fair value hierarchy established by generally accepted accounting principles, were as follows:

Investments by fair value level	Amount	Fair value measurement using	
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)
U.S. agency securities	\$47,321,604	\$ -	\$47,321,604
U.S. Treasury securities	187,263,204	-	187,263,204
Commercial paper	3,985,666	-	3,985,666
Certificate of Deposit	4,922,459	-	4,922,459
Corporate bonds	57,583,849	-	57,583,849
Money Market Fund FI	1,464,713	1,464,713	-
Mutual funds – equity	204,122	204,122	-
Total investments categorized by fair value level	<u>\$302,745,617</u>	<u>\$1,668,835</u>	<u>\$301,076,782</u>

Investments categorized as Level 1 of the fair value hierarchy are valued using unadjusted prices quoted for identical assets in active, exchange and brokered markets for those securities. Investments categorized as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The nature of these securities includes investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters on which can be directly observed.

The District also had the following investments in external investment pools measured at fair value:

	Amount
State Treasurer's investment pool 5	\$ 2,253
State Treasurer's investment pool 7	357,897,861
State Treasurer's investment pool 700	117,846
Total external investment pools measured at fair value	<u>\$358,017,960</u>

Investments in the State Treasurer's investment pools are valued at the pool's share price multiplied by the number of shares the District held. The fair value of a participant's position in the pools approximates the value of that participant's pool shares.

The State Board of Investment provides oversight for the State Treasurer's pools.

NOTE 3 - Deposits and Investments (continued)

Credit Risk - The District does not have a formal policy with respect to credit risk. At June 30, 2024, credit risk for the District's investments was as follows:

<u>Investment Type</u>	<u>Rating</u>	<u>Rating Agency</u>	<u>Amount</u>
State Treasurer's investment pool 5	Unrated	Not applicable	\$ 2,253
State Treasurer's investment pool 7	Unrated	Not applicable	357,897,861
State Treasurer's investment pool 700	Unrated	Not applicable	117,846
Mutual funds - equity	Unrated	Not applicable	204,122
U.S. agency securities	Aaa	Moody's	40,342,248
U.S. agency securities	P-1	Moody's	6,979,356
Commercial paper	P-1	Moody's	3,985,666
Certificate of Deposit	P-1	Moody's	4,922,459
Corporate bonds	A1	Moody's	29,046,830
Corporate bonds	A2	Moody's	7,769,673
Corporate bonds	A3	Moody's	1,048,237
Corporate bonds	Aa1	Moody's	2,542,927
Corporate bonds	Aa2	Moody's	4,129,088
Corporate bonds	Aa3	Moody's	5,466,470
Corporate bonds	AAA	Moody's	7,580,624
Money Market Fund FI	AAA	Moody's	1,464,713
Total			<u>\$473,500,373</u>

Concentration of Credit Risk – The District does not have a formal policy with respect to concentration of credit risk. The District did not have investments at June 30, 2024, of 5 percent or more with any one issuer.

Interest Rate Risk - The District's policy states maturities shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. At June 30, 2024, the District had the following investments in debt securities:

<u>Investment Type</u>	<u>Amount</u>	<u>Weighted Average Maturity (Months)</u>
State Treasurer's investment pool 5	2,253	1.12
State Treasurer's investment pool 7	357,897,861	0.99
State Treasurer's investment pool 700	117,846	39.01
Money Market Fund FI	1,464,713	0.00
U.S. agency securities	47,321,604	19.81
U.S. Treasury securities	187,263,204	13.61
Commercial Paper	3,985,666	3.52
Certificate of Deposit	4,922,459	2.29
Corporate bonds	57,583,849	36.48
Total	<u>\$660,559,455</u>	

The District's portfolio weighted average maturity is 9.04 months.

NOTE 3 - Deposits and Investments (continued)

Custodial Credit Risk – The District’s investment accounts are held in the District’s name, segregated from the liabilities of the custodian banks. Therefore, the District did not have any custodial credit risk at June 30, 2024.

A reconciliation of cash, deposits, and investments to amounts shown on the Statement of Net Position follows:

Cash, deposits and investments:		Statement of Net Position:	
Cash on hand	\$ 155,700	Cash and cash equivalents	\$359,045,919
Deposits	30,994,064	Investments	298,027,298
Investments	660,763,577	Restricted assets:	
		Cash and cash equivalents	34,840,124
Total	<u>\$691,913,341</u>	Total	<u>\$691,913,341</u>

NOTE 4 - Current Receivables

A schedule of the District’s current receivables by type, shown net of related allowances, follows:

Property taxes (net of allowance of \$2,904,559)	\$ 15,088,463
Government grants	57,643,185
Private grants and contracts (net of allowance of \$311,509)	2,567,814
Student accounts (net of allowance of \$57,473,865)	27,832,890
Lease receivable	386,857
Other (net of allowance of \$163,659)	2,955,340
Total current receivables	<u>\$ 106,474,549</u>

Property Taxes - The Maricopa County Treasurer is responsible for the collection of property taxes for all governmental entities within the County. The property taxes due to the District are levied in August by the County and are payable in two equal installments. The first installment is due on October first and becomes delinquent after the first business day of November. The second installment is due on March first of the following year and becomes delinquent after the first business day in May. A lien assessed against real and personal property attaches on the first day of January preceding assessment and levy. Property taxes receivable consist of uncollected property taxes as determined from the records of the Maricopa County Treasurer’s Office, in addition to property taxes the Maricopa County Treasurer’s Office has collected but not yet distributed to the District.

NOTE 5 - Capital Assets

The following is a summary of changes in capital assets during the fiscal year:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Capital assets not being depreciated/amortized:				
Land	\$ 74,475,007	\$ -	\$ -	\$ 74,475,007
Construction in progress	2,574,686	8,871,293	6,837,206	4,608,773
Work in progress, right-to-use subscription assets	-	1,426,497	-	1,426,497
Total capital assets not being depreciated/amortized	<u>77,049,693</u>	<u>10,297,790</u>	<u>6,837,206</u>	<u>80,510,277</u>
Capital assets being depreciated/amortized:				
Buildings	1,096,902,325	5,135,793	170,545	1,101,867,573
Equipment	156,134,824	12,467,483	3,546,323	165,055,984
Intangibles:				
Right-to-use subscription assets	35,350,279	5,283,535	-	40,633,814
Right-to-use lease assets:				
Land	1,235,129	-	-	1,235,129
Buildings	10,482,698	298,824	-	10,781,522
Software	65,816,936	-	232,803	65,584,133
Improvements other than buildings	163,812,696	2,367,297	-	166,179,993
Library books	8,525,229	688,209	608,956	8,604,482
Total capital assets being depreciated/amortized	<u>1,538,260,116</u>	<u>26,241,141</u>	<u>4,558,627</u>	<u>1,559,942,630</u>
Less accumulated depreciation/amortization for:				
Buildings	597,439,268	31,770,772	68,218	629,141,822
Equipment	134,625,026	9,521,745	3,586,246	140,560,525
Intangibles:				
Right-to-use subscription assets	3,592,013	11,382,018	-	14,974,031
Right-to-use lease assets:				
Land	91,182	45,591	-	136,773
Buildings	2,680,142	1,439,679	-	4,119,821
Software	48,720,031	4,269,999	232,804	52,757,226
Improvements other than buildings	118,936,950	5,915,773	749	124,851,974
Library books	5,783,963	611,531	537,294	5,858,200
Total accumulated depreciation/amortization	<u>911,868,575</u>	<u>64,957,108</u>	<u>4,425,311</u>	<u>972,400,372</u>
Total capital assets being depreciated/amortized, net	<u>626,391,541</u>	<u>(38,715,967)</u>	<u>133,316</u>	<u>587,542,258</u>
Capital assets, net	<u>\$ 703,441,234</u>	<u>\$ (28,418,177)</u>	<u>\$ 6,970,522</u>	<u>\$ 668,052,535</u>

The District has active construction projects with a remaining contractual commitment at June 30, 2024, of \$6,740.

NOTE 6 - Long-term Liabilities

The following schedule details the long-term liability activity for the year ended June 30, 2024.

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due within one year
Bonds payable:					
General obligation bonds	\$ 135,585,000	\$ -	\$ 48,265,000	\$ 87,320,000	\$ 29,705,000
Premium on general obligation bonds	10,243,775	-	4,675,825	5,567,950	4,675,825
Total bonds payable	145,828,775	-	52,940,825	92,887,950	34,380,825
Leases payable	9,571,272	298,824	1,500,706	8,369,390	1,539,552
Subscriptions liability	25,233,358	5,280,356	12,155,082	18,358,632	10,176,292
Net pension liability	533,943,916	-	27,275,366	506,668,550	-
Compensated absences	39,238,667	6,913,383	5,001,111	41,150,939	5,258,937
Total long-term liabilities	\$ 753,815,988	\$ 12,492,563	\$ 98,873,090	\$ 667,435,461	\$ 51,355,606

Legal Debt Margin

The Arizona Constitution, Article 9, Section 8, states that a county or school district may become indebted for an amount not to exceed fifteen percent of taxable property. For fiscal year 2023-24, the District could issue an additional \$8.1 billion of debt and remain within the legal debt margin. See Statistical Section – Computation of Legal Debt Margin for details.

Bonds Payable

The District's bonded debt consists of various issues of general obligation bonds. Bond proceeds primarily pay for improving, acquiring or constructing capital assets. Bonds have also been issued to advance refund previously issued bonds. Of the total general obligation bonds originally authorized in 2004 (\$951,359,000), \$3,000 of authorization remains unissued. The District repays general obligation bonds from voter-approved property taxes. Federal arbitrage regulations are applicable to all of the District's bond issues; however, the District has no current liability for arbitrage. Interest payments are due on a semi-annual basis. Bonds outstanding at June 30, 2024, were as follows:

<u>Description</u>	<u>Amount Issued</u>	<u>Maturity Ranges</u>	<u>Interest Rates</u>	<u>Outstanding Principal</u>
General obligation bonds				
Series 2013	151,090,000	7/01/2024-27	3.00-3.50%	51,755,000
Refunding Series B, C, D (2016)	191,260,000	7/01/2024-25	5.00%	35,565,000
			Total	<u>\$87,320,000</u>

NOTE 6 - Long-term Liabilities (continued)

The following schedule details debt service requirements to maturity for the District's bonds payable at June 30, 2024.

Year Ending June 30:	General Obligation Bonds		Total Debt Service Requirements
	Principal	Interest	
2025	\$ 29,705,000	\$ 2,845,200	\$ 32,550,200
2026	30,940,000	1,579,875	32,519,875
2027	13,110,000	704,200	13,814,200
2028	13,565,000	237,388	13,802,388
Total	<u>\$ 87,320,000</u>	<u>\$ 5,366,663</u>	<u>\$ 92,686,663</u>

Description of Issues**General Obligation Refunding Bonds, Project of 2004, Series B, C, D (2016)**

In August 2016, the District issued \$191,260,000 of general obligation refunding bonds to refund \$73,810,000 G.O. Bonds, Series B (2007); \$80,190,000, Series C (2009); and \$62,055,000, Series D (2011). The net proceeds were placed in the Depository Trust Fund to be used to refund the bonds being refunded. The General Obligation Refunding Bonds of 2016 are not subject to early redemption prior to their stated maturity dates.

General Obligation Bonds, Series 2013

In June of 2013, the District issued \$151,090,000 of general obligation bonds. These bonds were issued to make certain improvements to the district's educational facilities, purchase equipment, and pay costs relating to the issuance of the Bonds. Bonds maturing before July 1, 2023 are noncallable. Bonds maturing on or after July 1, 2024 are subject to early redemption.

Leases

The District, as lessee, has obtained the right to use classroom, office, and other space throughout Maricopa County under the provision of various lease agreements. Lease terms for our significant sites vary based on space availability and the District's needs. Significant sites include the following locations.

In 1967, the District entered into a 99-year lease with the Salt River Pima-Maricopa Indian Community to lease approximately 40 acres of land in order to build out the Scottsdale Community College campus.

In 2006, the District, on behalf of Chandler-Gilbert Community College, entered into a 40-year ground lease with Williams Gateway Airport Authority for the right to access and develop an aviation hangar/office building consisting of approximately 2.3 acres.

NOTE 6 - Long-term Liabilities (continued)

In 2012, the District, on behalf of GateWay College, entered into an agreement with 29 Bell LLC to lease a portion of Marbella Plaza Shopping Center to operate Northwest Skill Center. The term is 15 years for 32,500 square feet of space.

In 2019, the District, on behalf of GateWay College, entered into an agreement with Phoenix Biomedical Campus for use of office, meeting room, and industry certification and non-credit professional development use in connection with its Center for Entrepreneurial Innovation Program. The term is 10 years for 6,275 square feet of space.

In 2019, the District, on behalf of GateWay College, entered into an agreement with Stockbridge 555 MOB to operate a nursing school in the St. Luke's Medical Center office building. The term is approximately 10 years for 28,671 square feet of space.

The total amount of lease assets and the related accumulated amortization are as follows:

Total intangible right-to-use lease assets	\$12,016,651
Less: accumulated amortization	<u>4,256,594</u>
Carrying value	<u>\$ 7,760,057</u>

The following schedule lists the principal and interest requirements to maturity for the District's leases payable as of June 30, 2024.

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2025	1,539,552	80,731	1,620,283
2026	1,580,248	64,817	1,645,065
2027	1,363,653	49,956	1,413,609
2028	1,104,540	38,373	1,142,913
2029	1,139,624	27,149	1,166,773
2030 - 2034	962,250	63,402	1,025,652
2035 - 2039	228,832	43,168	272,000
2040 - 2044	246,723	25,277	272,000
2045 - 2049	106,244	9,756	116,000
2050 - 2054	25,274	6,726	32,000
2055 - 2059	27,309	4,691	32,000
2060 - 2064	29,508	2,492	32,000
2065 - 2067	15,633	367	16,000
	<u>8,369,390</u>	<u>416,905</u>	<u>8,786,295</u>

NOTE 6 - Long-term Liabilities (continued)**Subscription-Based Information Technology Arrangements**

The District began recognizing the right to use SBITA assets at the start of FY2023, upon adoption of GASB Statement No. 96. On 07/01/2022, the District recognized a 112-month subscription contract with Instructure, Inc. for the use of Canvas Cloud and a 26-month subscription contract with World Wide Technologies for the use of CISCO Systems Security technology, which was amended on 08/30/2023 to add threat defense malware. On 08/01/2022, The District entered into a 60-month subscription contract with World Wide Technologies for the use of CISCO Systems Telephone & Network/WebEx technologies. On 11/01/2022 and again on 07/01/2023, the District entered into 36-month subscription contracts with Dell Marketing for the use of Microsoft Volume Licensing. On 11/30/2022, the District entered into a 58-month subscription for the use of Qualtrics Cloud Service. On 05/30/2023, the District entered into a 36-month subscription for the use of Oracle Cloud Infrastructure/Firewall Service. On 08/01/2023, the District entered into a 36-month subscription for the use of Adobe Acrobat Sign/Creative Cloud. Each of these District SBITA liabilities are detailed in the following schedule.

Technology	Initial Subscription Liability	Value as of 6/30/2024	Annual Fixed Payments	Interest Rate
Canvas Cloud	\$ 7,448,028	\$ 5,930,823	\$ 881,086	2.59%
Adobe Acrobat Sign	1,780,888	1,171,346	610,810	2.85%
CISCO Firepower Threat Defense	940,334	0	0	2.85%
CISCO Systems Security	2,268,117	0	1,209,608	1.89%
CISCO Systems Telephone, Network, WebEx	2,010,917	1,206,174	419,760	2.19%
Dell VMware Enterprise License	2,439,560	1,607,239	838,111	2.85%
Microsoft Volume License	3,063,218	1,020,751	1,052,612	3.12%
Qualtrics Cloud Service	1,684,823	1,091,816	351,225	3.16%
Oracle Cloud Infrastructure/Firewall Service	18,994,750	6,330,483	6,476,717	2.31%
	<u>\$ 40,630,635</u>	<u>\$ 18,358,632</u>	<u>\$ 11,839,929</u>	

The total amount of subscription assets and the related accumulated amortization are as follows:

Total intangible right-to-use subscription assets	\$40,633,814
Less: accumulated amortization	<u>14,974,031</u>
Carrying value	<u>\$25,659,783</u>

NOTE 6 - Long-term Liabilities (continued)

The following schedule details minimum subscription payments to maturity for the District's subscription liability at June 30, 2024:

Fiscal Year	Business-Type Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 10,176,291	\$471,647	\$10,647,938
2026	2,920,557	216,551	3,137,108
2027	1,596,679	136,846	1,733,525
2028	839,561	94,926	934,487
2029	889,281	73,182	962,463
2030 - 2032	1,936,263	75,928	2,012,191
	<u>\$18,358,632</u>	<u>\$1,069,080</u>	<u>\$19,427,712</u>

NOTE 7 - Pension

Plan Description - District employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 2. The ASRS is a component unit of the State of Arizona. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its website at www.azasrs.gov.

Benefits Provided - The ASRS provides retirement and survivor benefits. State statute establishes benefits terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Retirement Initial Membership Date:	
	<u>Before July 1, 2011</u>	<u>On or after July 1, 2011</u>
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years, age 62 5 years, age 50* any years, age 65	30 years, age 55 25 years, age 60 10 years, age 62 5 years, age 50* any years, age 65
Final average salary is based on	Highest 36 consecutive months of last 120 months	Highest 60 consecutive months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

*With actuarially reduced benefits.

NOTE 7 - Pension (continued)

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earnings. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the retirement benefit option chosen determines the survivor benefit. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Contributions - In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2024, statute required active ASRS members to contribute at the actuarially determined rate of 12.14 percent of the members' annual covered payroll, and statute required the District to contribute at the actuarially determined rate of 12.03 percent of the active members' annual covered payroll. In addition, the District was required by statute to contribute at the actuarially determined rate of 9.94 percent of annual covered payroll of retired members who worked for the District in positions that an employee who contributes to the ASRS would typically fill. The District's contributions to the pension plan for the year ended June 30, 2024, were \$51,767,947.

Pension Liability - At June 30, 2024, the District reported a liability of \$506,668,550 for its proportionate share of the net pension liability of the ASRS. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2022, to the measurement date of June 30, 2023.

The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023. The District's proportion measured as of June 30, 2023, was 3.13117 percent, which was a decrease of 0.1401 from its proportion measured as of June 30, 2022.

Pension Expense and Deferred Outflows/Inflows of Resources - For the year ended June 30, 2024, the District recognized pension expense for ASRS of \$49,911,164. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 7 - Pension (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$11,448,688	
Net difference between projected and actual earnings on pension plan investments		\$17,926,373
Changes in proportion and differences between District contributions and proportionate share of contributions		22,391,937
District contributions subsequent to the measurement date (fiscal year 2024 district contributions)	51,767,947	
Total	<u>\$63,216,635</u>	<u>\$40,318,310</u>

The \$51,767,947 reported as deferred outflows of resources related to ASRS pensions resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions will be recognized in pension expense as follows:

Year ending June 30,	
2025	\$ (18,642,410)
2026	(27,318,909)
2027	19,319,330
2028	(2,227,633)

Actuarial Assumptions - The significant actuarial assumptions used to measure the total pension liability are as follows:

Actuarial valuation date	June 30, 2022
Actuarial roll forward date	June 30, 2023
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	2.9–8.4%
Inflation	2.3%
Permanent benefit increase	Included
Mortality rates	2017 SRA Scale U-MP

NOTE 7 - Pension (continued)

Actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2020.

The long-term expected rate of return on ASRS pension plan investments was determined to be 7.0 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Public equity	44%	3.50%
Credit	23%	5.90%
Real estate	17%	5.90%
Private equity	10%	6.70%
Fixed income - interest rate sensitive	<u>6%</u>	1.50%
Total	<u>100%</u>	

Discount Rate - At June 30, 2023, the discount rate used to measure the ASRS total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the ASRS Net Pension Liability to Changes in the Discount Rate - The following table presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate:

NOTE 7 - Pension (continued)

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
District's proportionate share of the net pension liability	\$ 758,915,073	\$ 506,668,550	\$ 296,339,571

Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued ASRS financial report.

NOTE 8 - Operating Expenses

The District's operating expenses are presented by functional classification in the Statement of Revenues, Expenses, and Changes in Net Position – Primary Government. The operating expenses can also be classified into the following:

Salaries and benefits	\$ 669,002,675
Financial aid	75,043,066
Contract services	157,659,314
Depreciation and amortization	64,957,108
Noncapitalized equipment	38,731,670
Communications, utilities, and travel	26,544,380
Supplies and materials	17,065,187
Subscriptions, dues, insurance, and rentals	18,223,564
Total operating expenses	<u>\$1,067,226,964</u>

The District uses credit cards to pay certain vendors for goods and services. The District received \$198,979 in rebates resulting from credit card payments for the year ended June 30, 2024.

NOTE 9 - Risk Management

The District is exposed to various risks of loss related to legal liability, property, errors and omissions, and injuries to employees. The District carries commercial insurance for all such risks of loss. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

NOTE 9 - Risk Management (continued)

The District finances uninsured risks of loss for certain health benefits to eligible employees and their dependents. The healthcare plan provides coverage for amounts up to \$450,000 per claim. The District purchases commercial insurance for claims in excess of this limit and utilizes a consultant to determine the required annual funding based upon anticipated utilization, cost trends, and benefit levels. Independent administrators provide claim and recordkeeping services for each self-insured plan. The District self-insures workers' compensation claims up to \$500,000 and purchases commercial insurance for claims exceeding \$500,000. Settled claims for workers' compensation and health benefits have not exceeded the District's commercial insurance coverage in any of the past three fiscal years.

The insurance claims payable of \$5,947,724 at June 30, 2024, includes the amounts payable for both health benefits and workers' compensation. This amount has been recognized as an expense and is included in accrued liabilities in the Statement of Net Position. It is the estimated cost of settling claims that have been reported but not settled and claims that have been incurred but not reported and is based on actuarial valuations. The District's claims payable for the fiscal years ended June 30, 2023 and June 30, 2024 are as follows:

<u>Health Benefits:</u>	<u>2024</u>	<u>2023</u>
Claims payable, beginning of year	\$ 7,131,000	\$ 9,236,000
Current year actual and estimated claims	72,833,490	62,901,447
Less: Claim payments	<u>(74,842,490)</u>	<u>(65,006,447)</u>
Claims payable, end of year	<u>\$ 5,122,000</u>	<u>\$ 7,131,000</u>
 <u>Workers' Compensation:</u>	 <u>2024</u>	 <u>2023</u>
Claims payable, beginning of year	\$ 1,083,358	\$ 807,015
Current year actual and estimated claims	252,550	857,804
Less: Claim payments	<u>(510,184)</u>	<u>(581,461)</u>
Claims payable, end of year	<u>\$ 825,724</u>	<u>\$ 1,083,358</u>

NOTE 10 - Contingencies and Litigation

The District is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of business. A reasonable estimate of the probable losses based on information currently available is \$221,500. This amount has been recognized as an expense and is included in accrued liabilities in the Statement of Net Position. Other reasonably possible claims have been estimated to be \$62,000. Management, through legal counsel, will seek denial of the claims. Management believes that the loss, if any, resulting from these claims will not have a material impact on the District's financial position, results of operations, or cash flows in future years.

NOTE 11 - Discretely Presented Component Unit Disclosures

The District's discretely presented component unit is comprised of the Maricopa County Community College District Foundation.

NOTE 11 a - Organization Operations and Summary of Significant Accounting Policies

The significant accounting policies followed by the Foundation are as follows:

Basis of presentation - The financial statements are presented in accordance with FASB ASC 958-205, *Not-for-Profit Entities – Presentation of Financial Statements*. Under FASB ASC 958-205, the Foundation is required to report information regarding their financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

The Foundation maintains its accounts on the accrual basis of accounting. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and the board of directors.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grants. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Contributions received - The Foundation accounts for contributions received in accordance with FASB ASC 958-605, *Not-for-Profit Entities – Revenue Recognition*. In accordance with ASC 958-605, the Foundation evaluates grants and contributions for evidence of the transfer of commensurate value from the Foundation to the grantor or resource provider. The transfer of commensurate value from the Foundation to the grantor or resource provider may include instances when a) the goods or services provided by the Foundation directly benefit the grantor or resource provider or are for the sole use of the grantor or resource provider or b) the grantor or resource provider obtains proprietary rights or other privileges from the goods or services provided by the Foundation. When such factors exist, the Foundation accounts for the grants or contributions as exchange transactions under ASC 606, *Revenue from Contracts with Customers*, or other appropriate guidance. In the absence of these factors, the Foundation accounts for the award under the contribution accounting model.

NOTE 11 a - Organization Operations and Summary of Significant Accounting Policies (continued)

In the absence of the transfer of commensurate value from the Foundation to the resource provider, the Foundation evaluates the contribution for criteria indicating the existence of measurable barriers to entitlement for the Foundation or the right of return to the resource provider. A barrier to entitlement is subject to judgment and generally represents an unambiguous threshold for entitlement that provides clarity to both the Foundation and resource provider whether the threshold has been met and when. These factors may include measurable performance thresholds or limited discretion on the part of the Foundation to use the funds. Should the existence of a measurable barrier to entitlement exist and be accompanied by a right of return of the funds to the resource provider or release of the resource provider from the obligation, the contribution is treated as a conditional contribution. If both the barrier to entitlement and right of return do not exist, the contribution is unconditional.

The Foundation recognizes amounts received from unconditional contributions at the time the Foundation receives notification of the award. Contributions that include conditions imposed by the grantor or resource provider are recognized when those conditions are met by the Foundation.

During the year ended June 30, 2024, the Foundation received payments from several grants that are conditional in nature and the revenue can only be recognized once the Foundation has met the specified conditions, such as incurring qualified expenses or achieving specific milestones. As of June 30, 2024, unearned conditional grant revenue associated with these grants is \$1,902,616 and is included in deferred revenue in the accompanying statement of financial position. Additionally, the Foundation is the recipient of certain conditional promises to give that will be recognized upon the satisfaction of the grant conditions, which include achieving specific performance milestones or raising matching contributions. As of June 30, 2024, conditional promises to give that have not been recognized because the conditions have not been met totaled \$1,250,000.

In accordance with FASB ASC 958-605, contributions received are recorded as contributions without donor restrictions or contributions with donor restrictions depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and change in net assets as net assets released from restrictions.

Contributions received without donor restrictions are distributed as scholarships, as designated by the Board of Directors of the Foundation, or used to further the objectives of the Foundation and to secure current or future endowments through fundraising activities and programs. Contributions received with donor restrictions are distributed

NOTE 11 a - Organization Operations and Summary of Significant Accounting Policies (continued)

according to donor specification, generally as scholarships to attendees of Maricopa County Community Colleges or to support programs and projects to advance these colleges. Contributions received with donor restrictions that are perpetual in nature require the principal be invested in perpetuity; the distributable income from the related investments is reflected as net assets with donor restrictions in the statement of activities and change in net assets as specified by the donor.

Unconditional promises to give (pledges) that are to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are initially recorded at the fair value of their estimated future cash flows as of the date of the promise to give through the use of a present value discount technique. In periods subsequent to initial recognition, unconditional promises to give are reported at the amount management expects to collect and are discounted over the collection period using the same discount rate as determined at the time of initial recognition. The discount rate determined at the initial recognition of the unconditional promise to give is based upon management's assessment of many factors, including when the receivable is expected to be collected, the creditworthiness of the other parties, the Foundation's past collection experience and its policies concerning the enforcement of promises to give, expectations about possible variations in the amount or timing, or both, of the cash flows, and other factors concerning the receivable's collectability. Amortization of the discounts is included in support from contributions. Collectability of promises to give is determined by management based on historical information. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Administration Fees - The Foundation charges an administration fee to defray part of the cost of managing restricted accounts held by the Foundation. A fee of 2% is charged on all new gifts, except endowment gifts. On January 1st of each year, an investment management fee of 200 basis points is charged on all accounts. This fee is not charged to endowment funds, if doing so would reduce the fund below its corpus. Fees on restricted funds resulted in \$901,119 being released from restriction for the year ended June 30, 2024.

Investments - The Foundation accounts for its investments in accordance with FASB ASC 958-320, *Not-for-Profit Entities – Investments – Debt Securities* and FASB ASC 958-321, *Not-for-Profit Entities – Investments – Equity Securities*. In accordance with FASB ASC 958-320 and 958-321, the Foundation carries its investments in equity and debt at fair value.

NOTE 11 a - Organization Operations and Summary of Significant Accounting Policies (continued)

The combined individual funds participate in a common equity investment pool (the “Pool”) by contributing their investable assets and receiving an ownership interest in the Pool. The ownership interest in the Pool is based on the ratio of the market value of the individual fund’s investable assets to the total market value of the Pool. The ratio is used to allocate earnings activities among individual, general, and endowment funds.

Fair value measurements - FASB ASC 820, *Fair Value Measurement*, establishes a common definition for fair value to be applied under GAAP requiring the use of fair value, establishes a framework for measuring fair value, and expands disclosures about such fair value measurements. FASB ASC 820 also establishes a hierarchy for ranking the quality and reliability of the information used to determine fair values by requiring that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1: Unadjusted quoted market prices in active markets for identical assets or liabilities.

Level 2: Unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.

Level 3: Unobservable inputs for the asset or liability.

Income tax status - The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (the “Code”) and, therefore, there is no provision for income taxes for the entity. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170 of the Code and has been deemed not to be a private foundation. Income determined to be unrelated business taxable income (“UBTI”) would be taxable. Management believes that none of the income in 2024 is UBTI.

NOTE 11 b - Pledges Receivable

Pledges receivable consist of the following at June 30, 2024:

Pledges receivable:	
Receivable in less than one year	\$ 202,154
Receivable in one to five years	538,754
Total pledges receivable	<u>740,908</u>
Less discount to net present value	(42,531)
Less allowance for uncollectable pledges	<u>(22,228)</u>
Net pledges receivable	<u>\$ 676,149</u>

NOTE 11 b – Pledges Receivable (continued)

Pledges receivable that are expected to be collected in more than one year have been discounted to their present value using a discount rate of 2%.

NOTE 11 c - Investments

Investments consist of the following at June 30, 2024:

Core bond fund	\$ 15,304,182
Global equity plus fund	22,334,500
High yield bond fund	2,823,667
Private funds	3,188,257
Global listed infrastructure	697,031
Global real estate securities fund	684,506
Commodities fund	914,412
Low duration bond fund	1,256,602
Partnerships	9,227,611
Hedge fund	2,396,848
Money market funds	<u>7,611,155</u>
Total investments	<u>\$ 66,438,771</u>

The following summarizes investment return for the year ended June 30, 2024:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Interest and dividends	\$ 137,801	\$ 475,615	\$ 613,416
Net realized and unrealized gains	819,787	4,449,012	5,268,799
Brokerages fees	<u>(46,852)</u>	<u>(179,805)</u>	<u>(226,657)</u>
Total investment return	<u>\$ 910,736</u>	<u>\$ 4,744,822</u>	<u>\$ 5,655,558</u>

Investment returns from endowments are classified as net assets with donor restrictions.

NOTE 11 d - Contributed Services

The District provides administration services consisting of office space and administrative salaries to the Foundation without charge as follows:

<u>Contribution</u>	<u>Used For</u>	<u>Amount</u>
Salaries, wages and benefits	Administration and fundraising	\$1,805,352
Office space	Administration	<u>130,891</u>
Total contributions of nonfinancial assets		<u>\$1,936,243</u>

NOTE 11 d – Contributed Services (continued)

Salaries, wages and benefits are valued based upon the actual salary and benefits cost incurred by the District that are then allocated to the Foundation based upon estimated level of effort provided to the Foundation (Level 2 inputs). Office space is valued using average local market rate of office rents of similar class and quality (Level 2 inputs).

NOTE 11 e - Fair Value Measurements

The following table sets forth the level, within the fair value hierarchy of the Foundation's assets and liabilities subject to recurring fair value measurement, including investments measured at net asset value ("NAV") as a practical expedient, as of June 30, 2024:

	Level 1	Investments Measured at NAV	Total
Core bond fund	\$ -	\$ 15,304,182	\$ 15,304,182
Global equity plus fund	-	22,334,500	22,334,500
High yield bond fund	-	2,823,667	2,823,667
Private funds	-	3,188,257	3,188,257
Global listed infrastructure	-	697,031	697,031
Global real estate securities fund	-	684,506	684,506
Commodities fund	-	914,412	914,412
Low duration bond fund	-	1,256,602	1,256,602
Partnerships	-	9,227,611	9,227,611
Hedge fund	-	2,396,848	2,396,848
Money market funds	7,611,155	-	7,611,155
	<u>\$ 7,611,155</u>	<u>\$ 58,827,616</u>	<u>\$ 66,438,771</u>

The Foundation did not have any Level 2 or Level 3 investments as of June 30, 2024. The Foundation has no other assets or liabilities subject to fair value measurement other than at initial recognition.

NOTE 11 f - Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following at June 30, 2024:

Restricted for purposes or periods:	
Scholarship awards and program support	\$ 13,426,140
Term endowments	3,993,586
Accumulated endowment earnings subject to spending policy	<u>10,962,910</u>
	28,382,636
Restricted in perpetuity:	
Pledges receivable	223,405
Cash surrender value of life insurance	202,046
Endowment fund subject to the Foundation's spending policy	<u>33,915,633</u>
Total net assets restricted in perpetuity	<u>34,341,084</u>
Total net assets with restrictions	<u>\$ 62,723,720</u>

Net assets released from restriction for the year ended June 30, 2024 consisted of the following:

Program support	\$ 5,740,643
Scholarships	3,960,756
Administrative fees	901,119
Other	<u>10,396</u>
Total net assets released from restriction	<u>\$ 10,612,914</u>

NOTE 11 g - Endowments

The Foundation's endowments include only donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

In September 2008, the State of Arizona enacted ARS§10-11801 et seq Management of Charitable Funds Act ("MCFA"). The Board of Directors of the Foundation has interpreted MCFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions to be held in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as net assets with donor restrictions to be held in perpetuity are classified as net assets with donor restriction for purpose or periods until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by MCFA. In accordance with MCFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

NOTE 11 g - Endowments (continued)

- (1) The duration and preservation of the fund
- (2) The purposes of the Foundation and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Foundation
- (7) The investment policies of the Foundation

The changes in endowment net assets for the year ended June 30, 2024 are as follows:

	With donor restrictions
Endowment net assets, July 1, 2023	\$ 44,547,087
Contributions and pledge collections	1,384,165
Interest and dividends, net of fees	295,810
Realized and unrealized gains	4,449,012
Appropriation of endowment assets for expenditure	<u>(1,803,945)</u>
Endowment net assets, June 30, 2024	<u>\$ 48,872,129</u>

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Under this policy, and with assistance of professional investment advisors, the endowment assets are invested in a manner that is intended to produce results while assuming a moderate level of investment risk.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that consists of equity-securities, corporate bonds, and government securities.

The Foundation's policy is to distribute, for the stated purpose of each fund, 3.75% for the year ended June 30, 2024 of a three-year average of the market value of each endowed fund that is above the original contributed amount as calculated at the end of each year. For funds that were below the original contributed amount, 3.75% of the three-year average at the end of the year were not eligible for disbursement for the year ended June 30, 2024. Actual investment earnings, in excess of (or less than) distribution, are added to (subtracted from) the endowment principal and available for future disbursements. If these amounts are not fully disbursed within a one-year period, the remaining amounts are transferred back to the endowment funds. For the year ended June 30, 2024 earnings of approximately \$1,578,000 were eligible to be distributed for scholarships and program support. The unused funds of approximately \$309,000 were maintained in the endowment funds to be used for future disbursements as of June 30, 2024. For the year ended June 30, 2024, the

NOTE 11 g - Endowments (continued)

Foundation transferred approximately \$0 from operational reserves in order to reduce the appropriation of endowment assets for expenditures.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or MCFA requires the Foundation to retain as a fund of perpetual duration. The Foundation does not charge administrative fees to underwater funds; however, will continue to spend for programs or scholarships as requested. These deficiencies resulted primarily from unfavorable market fluctuations. The balance of these funds as of June 30, 2024 is as follows:

Total corpus of underwater funds	\$ 621,630
Less: asset value of underwater funds	<u>(398,287)</u>
Underwater fund balance	<u><u>\$ 223,343</u></u>

Required
Supplementary
Information

Maricopa County Community College District
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
June 30, 2024

Arizona State Retirement System	Reporting Fiscal Year (Measurement Date)									
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
District's proportion of the net pension liability	3.13%	3.27%	3.44%	3.45%	3.34%	3.54%	3.67%	3.66%	3.56%	3.83%
District's proportionate share of the net pension liability	\$506,668,550	\$533,943,916	\$452,179,424	\$596,910,744	\$485,934,650	\$493,690,078	\$571,750,292	\$591,099,729	\$554,292,685	\$567,149,473
District's covered payroll	\$402,035,087	\$379,454,597	\$378,240,504	\$370,215,836	\$343,058,053	\$342,659,110	\$339,768,356	\$338,143,867	\$336,503,471	\$339,248,495
District's proportionate share of the net pension liability as a percentage of its covered payroll	79.35%	71.07%	83.65%	62.02%	70.60%	69.41%	59.43%	57.21%	60.71%	59.82%
Plan fiduciary net position as a percentage of the total pension liability	75.47%	74.26%	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%

Maricopa County Community College District
Required Supplementary Information
Schedule of District Pension Contributions
June 30, 2024

Arizona State											
Retirement											
System	Reporting Fiscal Year										
		<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contribution		\$ 51,767,947	\$ 47,900,700	\$ 45,621,359	\$ 44,159,652	\$ 42,946,457	\$ 37,771,104	\$37,349,843	\$ 36,624,158	\$ 36,678,831	\$36,569,171
District's contributions in relation to the statutorily required contribution		\$ 51,767,947	\$ 47,900,700	\$ 45,621,359	\$ 44,159,652	\$ 42,946,457	\$ 37,771,104	\$37,349,843	\$ 36,624,158	\$ 36,678,831	\$36,569,171
District's contribution deficiency (excess)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll		\$430,089,801	\$402,035,087	\$379,454,597	\$378,240,504	\$370,215,836	\$343,058,053	\$342,659,110	\$339,768,356	\$338,143,867	\$336,503,471
District's contributions as a percentage of covered payroll		12.04%	11.91%	12.02%	11.68%	11.60%	11.01%	10.90%	10.78%	10.85%	10.87%

Supplemental Information

Maricopa County Community College District
Schedule of Revenues, Expenses, and Changes in Net Position
By College/Center
For the Year Ended June 30, 2024

	<u>Phoenix College</u>	<u>Glendale Community College</u>	<u>GateWay Community College</u>	<u>Mesa Community College</u>	<u>Scottsdale Community College</u>
Operating revenues:					
Tuition and fees, net of scholarship allowance	\$ 12,138,752	\$ 16,696,629	\$ 7,794,532	\$ 25,711,522	\$ 10,206,072
Other	588,326	457,257	1,129,935	1,038,140	551,467
Total operating revenues	<u>12,727,078</u>	<u>17,153,886</u>	<u>8,924,467</u>	<u>26,749,662</u>	<u>10,757,539</u>
Operating expenses:					
Educational and general:					
Instruction	32,975,359	46,704,421	22,354,089	55,342,527	29,248,251
Public service	81,499	1,809	106,112	452,106	7,084
Academic support	12,976,156	15,517,572	3,608,240	18,388,730	6,496,319
Student services	8,741,307	11,005,616	8,012,680	12,899,665	7,517,607
Institutional support	11,666,749	11,800,010	7,250,157	24,361,024	6,469,558
Operation and maintenance of plant	9,791,666	13,926,073	3,244,287	11,343,796	6,293,231
Student financial assistance	10,878,723	12,906,663	5,108,901	12,572,223	3,474,822
Auxiliary enterprises	2,135,813	4,936,812	18,879,448	6,538,846	1,663,526
Depreciation	5,280,265	4,922,977	6,244,526	6,589,652	4,675,835
Total operating expenses	<u>94,527,537</u>	<u>121,721,953</u>	<u>74,808,440</u>	<u>148,488,569</u>	<u>65,846,233</u>
Operating loss	<u>(81,800,459)</u>	<u>(104,568,067)</u>	<u>(65,883,973)</u>	<u>(121,738,907)</u>	<u>(55,088,694)</u>
Nonoperating revenues (expenses):					
Property taxes	53,565,338	72,227,994	47,101,047	88,905,800	46,309,985
State appropriations	773,833	1,058,581	427,545	1,260,947	502,323
Smart and Safe AZ fund appropriations	2,773,896	3,794,608	1,532,584	4,520,011	1,800,634
State-shared sales tax	242,322	-	340,361	-	-
Government grants and contracts	23,462,150	26,562,492	15,916,304	24,994,254	5,671,854
Private grants and contracts	22,484	23,091	143,306	87,505	11,314
Private gifts	927,127	907,285	487,321	1,919,718	804,707
Investment earnings, net of investment expense	25,930	8,322	2,108	1,193	(149)
Interest expense on debt	-	-	(78,257)	-	(3,530)
Gain (loss) on sale/disposal of capital assets	(821)	(14,306)	1,422	34,479	(8,444)
Total nonoperating revenues and expenses	<u>81,792,259</u>	<u>104,568,067</u>	<u>65,873,741</u>	<u>121,723,907</u>	<u>55,088,694</u>
Income (loss) before other revenues, expenses, gains or losses	(8,200)	-	(10,232)	(15,000)	-
Capital grants and gifts	<u>8,200</u>	<u>-</u>	<u>10,232</u>	<u>15,000</u>	<u>-</u>
Increase in net position	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying notes to supplemental information.

<u>Rio Salado College</u>	<u>South Mountain Community College</u>	<u>Chandler- Gilbert Community College</u>	<u>Paradise Valley Community College</u>	<u>Estrella Mountain Community College</u>	<u>District Support Services Center</u>	<u>Total Colleges/ Centers</u>
\$ 34,815,717	\$ 3,910,438	\$ 19,679,709	\$ 8,276,367	\$ 10,404,195	\$ 849,349	\$ 150,483,282
1,568,414	386,227	626,614	253,810	409,382	10,379,232	17,388,804
<u>36,384,131</u>	<u>4,296,665</u>	<u>20,306,323</u>	<u>8,530,177</u>	<u>10,813,577</u>	<u>11,228,581</u>	<u>167,872,086</u>
18,459,045	10,662,968	29,342,032	24,718,167	20,021,005	9,048,895	298,876,759
12,043,583	20,266	3,071	1,263	1,349	4,620,259	17,338,401
22,549,389	4,554,376	11,325,245	3,371,099	9,362,506	9,366,878	117,516,510
9,422,325	6,588,708	8,334,006	5,880,752	5,640,436	15,377,518	99,420,620
19,373,734	6,348,992	10,612,928	8,046,971	8,721,897	133,403,411	248,055,431
4,910,050	5,164,202	8,365,119	8,716,878	6,258,003	15,530,858	93,544,163
5,126,366	5,119,717	5,868,005	3,649,491	7,756,169	2,317,556	74,778,636
9,608,906	911,819	1,634,829	1,456,006	82,042	4,891,289	52,739,336
2,904,461	3,264,564	4,670,813	4,235,282	4,289,937	17,878,796	64,957,108
<u>104,397,859</u>	<u>42,635,612</u>	<u>80,156,048</u>	<u>60,075,909</u>	<u>62,133,344</u>	<u>212,435,460</u>	<u>1,067,226,964</u>
<u>(68,013,728)</u>	<u>(38,338,947)</u>	<u>(59,849,725)</u>	<u>(51,545,732)</u>	<u>(51,319,767)</u>	<u>(201,206,879)</u>	<u>(899,354,878)</u>
49,143,745	26,300,446	49,063,704	43,093,648	40,592,683	111,148,567	627,452,957
1,377,971	310,801	1,029,290	452,893	733,416	-	7,927,600
4,939,503	1,114,101	3,689,609	1,623,448	2,629,017	-	28,417,411
-	-	-	-	-	19,472,757	20,055,440
15,941,545	9,957,100	11,476,343	5,980,255	9,197,646	40,701,206	189,861,149
1,254,521	3,685	14,246	43,506	46,396	1,126,482	2,776,536
9,474,685	586,589	937,453	352,930	612,256	22,250	17,032,321
19,320	59,798	-	-	-	29,280,295	29,396,817
-	-	(13,653)	-	-	(520,164)	(615,604)
<u>(663)</u>	<u>6,427</u>	<u>(89,678)</u>	<u>(2,073)</u>	<u>5,933</u>	<u>(24,514)</u>	<u>(92,238)</u>
<u>82,150,627</u>	<u>38,338,947</u>	<u>66,107,314</u>	<u>51,544,607</u>	<u>53,817,347</u>	<u>201,206,879</u>	<u>922,212,389</u>
14,136,899	-	6,257,589	(1,125)	2,497,580	-	22,857,511
-	-	-	1,125	-	-	34,557
<u>14,136,899</u>	<u>-</u>	<u>6,257,589</u>	<u>-</u>	<u>2,497,580</u>	<u>-</u>	<u>22,892,068</u>
Net position - July 1, 2023						<u>692,006,531</u>
Net position - June 30, 2024						\$ <u><u>714,898,599</u></u>

Maricopa County Community College District
Notes to Supplemental Information
For the Year Ended June 30, 2024

NOTE 1 - Statement of Purpose

The Maricopa County Community College District Statement of Revenues, Expenses, and Changes in Net Position by College/Center for the Year Ended June 30, 2024, is required by the terms of a Memorandum of Understanding (MOU) between the Maricopa County Community College District (the District) and the Higher Learning Commission (HLC), a commission of the North Central Association of Colleges and Schools (NCA). The MOU outlines an appropriate pattern of evidence to be made available by the District for purposes of meeting certain NCA Criteria for Accreditation related to financial resources/uses and other assurances. This schedule presents revenues and expenses for each college/center within the District.

NOTE 2 - Bases of Allocations

The District receives and records property tax revenue, state appropriations, and Smart and Safe Arizona fund appropriations on behalf of the colleges. For the purpose of this schedule, these revenues are allocated to the colleges on the basis of full-time student equivalents and a distribution of District Support Services Center costs. Pension expense is allocated to the colleges on the basis of pension contributions for the fiscal year.

Maricopa Skill Center, Southwest Skill Center, and Northwest Skill Center are included with GateWay Community College.



Statistical Section

The Maricopa County Community College District (the District) implemented the provisions of Governmental Accounting Standards Board Statement No. 44, *Economic Condition Reporting: The Statistical Section*.

This section of the Maricopa County Community College District's Annual Comprehensive Financial Report presents detailed information as a context for further understanding of the information in the financial statements, note disclosures, and supplementary information.

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service and capital asset data to help the reader understand how the information in the District's financial report relates to the services the government provides and the activities it performs.

Maricopa County Community College District
Schedule of Net Position by Component
Last Ten Fiscal Years
(Dollars in Thousands)

	Fiscal Year				
	2023-24	2022-23	2021-22	2020-21	2019-20
Net investment in capital assets, as previously reported	\$ 548,340	\$ 517,893	\$ 493,844	\$ 442,940	\$ 397,965
Restatement for correction of an error	-	5,900	(1,091)	-	-
Net investment in capital assets, as restated	<u>548,340</u>	<u>523,793</u>	<u>492,753</u>	<u>442,940</u>	<u>397,965</u>
Restricted – nonexpendable	352	340	334	342	428
Restricted – expendable, as previously reported	159,601	122,386	89,168	124,154	116,526
Restatement for correction of error	-	-	1,068	-	-
Restricted – expendable, as restated	<u>159,601</u>	<u>122,386</u>	<u>90,236</u>	<u>124,154</u>	<u>116,526</u>
Unrestricted, as previously reported	6,606	51,388	39,477	(18,546)	(12,605)
Restatement for correction of an error	-	(5,900)	23	-	-
Unrestricted, as restated	<u>6,606</u>	<u>45,488</u>	<u>39,500</u>	<u>(18,546)</u>	<u>(12,605)</u>
Total net position	<u>\$ 714,899</u>	<u>\$ 692,007</u>	<u>\$ 622,823</u>	<u>\$ 548,890</u>	<u>\$ 502,314</u>

	Fiscal Year				
	2018-19	2017-18	2016-17	2015-16	2014-15
Net investment in capital assets, as previously reported	\$ 356,740	\$ 371,049	\$ 313,960	\$ 279,671	\$ 289,058
Restatement for correction of an error	-	-	-	-	-
Net investment in capital assets, as restated	<u>356,740</u>	<u>371,049</u>	<u>313,960</u>	<u>279,671</u>	<u>289,058</u>
Restricted – nonexpendable	402	363	315	332	591
Restricted – expendable, as previously reported	127,319	107,654	115,328	109,527	104,437
Restatement for correction of error	-	-	-	-	-
Restricted – expendable, as restated	<u>127,319</u>	<u>107,654</u>	<u>115,328</u>	<u>109,527</u>	<u>104,437</u>
Unrestricted, as previously reported	(10,668)	(55,386)	(67,887)	(98,602)	(143,584)
Restatement for correction of an error	-	-	-	-	-
Unrestricted, as restated	<u>(10,668)</u>	<u>(55,386)</u>	<u>(67,887)</u>	<u>(98,602)</u>	<u>(143,584)</u>
Total net position	<u>\$ 473,793</u>	<u>\$ 423,680</u>	<u>\$ 361,716</u>	<u>\$ 290,928</u>	<u>\$ 250,502</u>

Source: Annual Comprehensive Financial Reports for years presented.

Maricopa County Community College District
Schedule of Expenses by Identifiable Activity
Last Ten Fiscal Years
(Dollars in Thousands)

	Fiscal Year				
	2023-24	2022-23	2021-22	2020-21	2019-20
Instruction	\$ 298,877	\$ 271,967	\$ 278,488	\$ 274,679	\$ 273,761
Public service	17,338	17,724	17,892	18,689	17,999
Academic support	117,517	101,628	101,620	92,046	88,685
Student services	99,421	76,858	79,050	74,169	76,149
Institutional support	248,055	257,154	202,990	200,220	183,448
Operation and maintenance of plant	93,544	91,211	81,734	88,122	88,547
Student financial assistance	74,779	77,046	151,852	95,842	97,523
Auxiliary enterprises	52,739	38,655	34,345	33,624	45,266
Depreciation	64,957	54,989	50,799	49,909	52,130
Other	-	-	-	-	-
Total operating expenses	<u>1,067,227</u>	<u>987,232</u>	<u>998,770</u>	<u>927,300</u>	<u>923,508</u>
Interest expense on debt	616	2,240	3,685	6,423	9,146
Loss on sale/disposal of capital assets	92	1,097	179	418	183
Total nonoperating expenses	<u>708</u>	<u>3,337</u>	<u>3,864</u>	<u>6,841</u>	<u>9,329</u>
Total expenses	<u>\$ 1,067,935</u>	<u>\$ 990,569</u>	<u>\$ 1,002,634</u>	<u>\$ 934,141</u>	<u>\$ 932,837</u>

	Fiscal Year				
	2018-19	2017-18	2016-17	2015-16	2014-15
Instruction	\$ 263,917	\$ 259,568	\$ 265,767	\$ 277,994	\$ 291,503
Public service	16,747	17,842	19,256	16,167	16,380
Academic support	79,667	81,846	79,601	82,490	87,384
Student services	78,808	78,458	77,676	76,318	73,666
Institutional support	159,504	131,860	120,552	111,309	112,298
Operation and maintenance of plant	81,543	58,338	52,089	76,013	68,609
Student financial assistance	77,996	81,901	79,793	86,584	96,914
Auxiliary enterprises	46,017	57,407	53,451	52,908	50,662
Depreciation	56,235	50,523	51,830	56,114	50,077
Other	-	3	68	217	447
Total operating expenses	<u>860,434</u>	<u>817,746</u>	<u>800,083</u>	<u>836,114</u>	<u>847,940</u>
Interest expense on debt	11,502	14,236	15,269	20,862	22,512
Loss on sale/disposal of capital assets	1,456	4,759	2,904	3,103	875
Total nonoperating expenses	<u>12,958</u>	<u>18,995</u>	<u>18,173</u>	<u>23,965</u>	<u>23,387</u>
Total expenses	<u>\$ 873,392</u>	<u>\$ 836,741</u>	<u>\$ 818,256</u>	<u>\$ 860,079</u>	<u>\$ 871,327</u>

Source: Annual Comprehensive Financial Reports for years presented

Maricopa County Community College District
Schedule of Expenses by Use
Last Ten Fiscal Years
(Dollars in Thousands)

	Fiscal Year				
	2023-24	2022-23	2021-22	2020-21	2019-20
Salaries and benefits	\$ 669,003	\$ 642,681	\$ 601,876	\$ 592,755	\$ 581,187
Contract services	157,659	97,832	98,122	90,870	96,419
Financial aid	75,043	78,721	155,184	99,651	103,772
Depreciation	64,957	54,989	50,799	49,909	52,130
Communications, utilities, and travel	26,544	23,107	20,043	17,200	20,232
Noncapitalized equipment	38,732	54,593	40,579	46,878	38,875
Supplies and materials	17,065	17,250	16,346	15,682	18,118
Subscriptions, dues, insurance, and rentals	18,224	18,059	15,821	14,355	12,775
Other expenses	-	-	-	-	-
Total operating expenses	<u>1,067,227</u>	<u>987,232</u>	<u>998,770</u>	<u>927,300</u>	<u>923,508</u>
Interest expense on debt	616	2,240	3,685	6,423	9,146
Loss on sale/disposal of capital assets	92	1,097	179	418	183
Total nonoperating expenses	<u>708</u>	<u>3,337</u>	<u>3,864</u>	<u>6,841</u>	<u>9,329</u>
Total expenses	<u>\$ 1,067,935</u>	<u>\$ 990,569</u>	<u>\$ 1,002,634</u>	<u>\$ 934,141</u>	<u>\$ 932,837</u>

	Fiscal Year				
	2018-19	2017-18	2016-17	2015-16	2014-15
Salaries and benefits	\$ 526,941	\$ 518,498	\$ 522,950	\$ 519,206	\$ 542,016
Contract services	99,322	87,210	79,842	74,420	77,727
Financial aid	83,799	87,171	84,382	93,232	103,414
Depreciation	56,235	50,523	51,830	56,114	50,077
Communications, utilities, and travel	24,069	23,057	23,834	24,849	24,421
Noncapitalized equipment	39,611	21,339	9,166	39,659	19,746
Supplies and materials	17,873	17,343	16,438	16,788	17,369
Subscriptions, dues, insurance, and rentals	12,584	12,605	11,641	11,846	10,565
Other expenses	-	-	-	-	2,605
Total operating expenses	<u>860,434</u>	<u>817,746</u>	<u>800,083</u>	<u>836,114</u>	<u>847,940</u>
Interest expense on debt	11,502	14,236	15,269	20,862	22,512
Loss on sale/disposal of capital assets	1,456	4,759	2,904	3,103	875
Total nonoperating expenses	<u>12,958</u>	<u>18,995</u>	<u>18,173</u>	<u>23,965</u>	<u>23,387</u>
Total expenses	<u>\$ 873,392</u>	<u>\$ 836,741</u>	<u>\$ 818,256</u>	<u>\$ 860,079</u>	<u>\$ 871,327</u>

Source: Annual Comprehensive Financial Reports for years presented.

Maricopa County Community College District
Schedule of Revenues by Source
Last Ten Fiscal Years
(Dollars in Thousands)

	Fiscal Year				
	2023-2024	2022-2023	2021-2022	2020-2021	2019-20
Tuition and fees, net of scholarship allowance	\$ 150,483	\$ 127,095	\$ 126,321	\$ 108,818	\$ 148,243
Other	17,389	16,407	40,631	6,845	9,100
Total operating revenues	<u>167,872</u>	<u>143,502</u>	<u>166,952</u>	<u>115,663</u>	<u>157,343</u>
Property taxes	627,453	623,187	606,253	595,673	579,336
State appropriations	7,928	8,585	12,000	1,600	7,400
Smart and Safe Arizona fund appropriations	28,417	27,809	25,714	4,614	-
State-shared sales tax	20,055	19,337	18,987	16,663	13,452
Government grants and contracts	189,861	203,078	239,136	230,449	171,092
Private grants and contracts	2,777	4,260		2,072	3,747
Private gifts	17,032	15,902	11,423	13,368	16,592
Investment income, net of investment expense	29,397	13,891	(3,979)	512	12,208
Gain on sale/disposal of capital assets	-	-	-	-	-
Total nonoperating revenues	<u>922,920</u>	<u>916,049</u>	<u>909,534</u>	<u>864,951</u>	<u>803,827</u>
Total revenues	<u>\$ 1,090,792</u>	<u>\$ 1,059,551</u>	<u>\$ 1,076,486</u>	<u>\$ 980,614</u>	<u>\$ 961,170</u>

	Fiscal Year				
	2018-19	2017-18	2016-17	2015-16	2014-15
Tuition and fees, net of scholarship allowance	\$ 150,269	\$ 150,564	\$ 154,548	\$ 154,866	\$ 155,484
Other	10,072	10,641	8,321	18,698	12,480
Total operating revenues	<u>160,341</u>	<u>161,205</u>	<u>162,869</u>	<u>173,564</u>	<u>167,964</u>
Property taxes	564,758	545,570	536,564	527,357	517,731
State appropriations	-	-	-	-	7,410
Smart and Safe Arizona fund appropriations	-	-	-	-	-
State-shared sales tax	12,228	11,328	10,463	9,982	9,629
Government grants and contracts	151,942	156,014	156,249	167,627	186,040
Private grants and contracts	2,976	2,484	1,589	4,608	2,567
Private gifts	15,820	15,841	16,493	13,218	13,260
Investment income, net of investment expense	15,398	5,906	3,118	3,753	2,341
Gain on sale/disposal of capital assets	-	-	-	-	-
Total nonoperating revenues	<u>763,122</u>	<u>737,143</u>	<u>724,476</u>	<u>726,545</u>	<u>738,978</u>
Total revenues	<u>\$ 923,463</u>	<u>\$ 898,348</u>	<u>\$ 887,345</u>	<u>\$ 900,109</u>	<u>\$ 906,942</u>

Source: Annual Comprehensive Financial Reports for years presented

Maricopa County Community College District
Schedule of Other Changes in Net Position
Last Ten Fiscal Years
(Dollars in Thousands)

	Fiscal Year				
	2023-24	2022-23	2021-22	2020-21	2019-20
Income (loss) before other changes in net position	\$ 22,858	\$ 68,982	\$ 73,853	\$ 46,473	\$ 28,333
Capital appropriations	-	-	-	-	-
Capital grants and gifts	34	201	81	102	188
Total change in net position	<u>\$ 22,892</u>	<u>\$ 69,183</u>	<u>\$ 73,934</u>	<u>\$ 46,575</u>	<u>\$ 28,521</u>

	Fiscal Year				
	2018-19	2017-18	2016-17	2015-16	2014-15
Income (loss) before other changes in net position	\$ 50,071	\$ 61,607	\$ 69,088	\$ 40,029	\$ 35,614
Capital appropriations	-	-	-	-	-
Capital grants and gifts	42	357	1,700	396	1,541
Total change in net position	<u>\$ 50,113</u>	<u>\$ 61,964</u>	<u>\$ 70,788</u>	<u>\$ 40,425</u>	<u>\$ 37,155</u>

Source: Annual Comprehensive Financial Reports for years presented.

Maricopa County Community College District
Assessed Value and Estimated Market Value of Taxable Property
Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year	Property Values Assessed			Total Direct Tax Rate	Total Secured and Unsecured Estimated Market Value	Total Secondary Assessed Value as a Percent of Total Market Value
	Secured	Unsecured	Total			
2023-24	\$ 52,763,790	\$ 1,958,520	\$ 54,722,310	1.1388	\$ 912,877,654	6.0 %
2022-23	49,855,345	1,719,673	51,575,018	1.1894	717,773,815	7.2
2021-22	47,172,988	1,551,139	48,724,127	1.2257	663,161,039	7.3
2020-21	44,233,928	1,471,041	45,704,970	1.2881	607,928,073	7.5
2019-20	41,687,136	1,507,190	43,194,326	1.3285	552,974,238	7.8
2018-19	39,174,219	1,249,013	40,423,232	1.3754	508,477,424	7.9
2017-18	36,915,364	1,336,527	38,251,891	1.4096	475,077,340	8.1
2016-17	34,806,837	1,328,657	36,135,494	1.4651	443,207,235	8.2
2015-16	33,326,722	1,296,948	34,623,670	1.4940	403,013,955	8.6
2014-15	33,658,024	1,421,622	35,079,646	1.5187	339,536,632	10.3

Source: Maricopa County Department of Finance and the Maricopa County Assessor

Note: Primary assessed values are used to determine primary levy for maintenance and operations; secondary assessed values are used to determine secondary levy for general obligation bond debt service.

Secured includes centrally valued property, real property, and secured personal property. Unsecured is unsecured personal property.

**Maricopa County Community College District
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
(Per \$100 Assessed Valuation)**

Fiscal Year	Maricopa County Community College District Direct Rate			Overlapping Rates					
	Primary Levy	Secondary Levy	Total	Maricopa County	Education Equalization	Central Arizona Water Conservation District	Other Special Districts	School Districts	Cities
2023-24	\$ 1.0791	\$ 0.0597	\$ 1.1388	\$ 1.41	\$ 0.00	\$ 0.14	\$ 0 - 4.42	\$ 1.22 - 9.44	\$ 0 - 2.98
2022-23	1.0865	0.1029	1.1894	1.46	0.00	0.14	0 - 4.34	1.28 - 9.08	0 - 3.21
2021-22	1.1112	0.1145	1.2257	1.58	0.43	0.14	0 - 4.84	1.09 - 9.52	0 - 3.39
2020-21	1.1250	0.1631	1.2881	1.64	0.44	0.14	0 - 5.30	1.30 - 9.15	0 - 3.68
2019-20	1.1565	0.1720	1.3285	1.64	0.46	0.14	0 - 5.80	1.20 - 9.01	0 - 3.74
2018-19	1.1708	0.2046	1.3754	1.64	0.47	0.14	0 - 5.69	.99 - 10.62	0 - 3.96
2017-18	1.1956	0.2140	1.4096	1.64	0.49	0.14	0 - 6.69	.90 - 11.05	0 - 3.99
2016-17	1.2376	0.2275	1.4651	1.64	0.50	0.14	0 - 8.70	.75 - 11.10	0 - 3.97
2015-16	1.2628	0.2312	1.4940	1.58	0.51	0.14	0 - 7.12	.85 - 11.14	0 - 3.97
2014-15	1.2824	0.2363	1.5187	1.52	0.51	0.14	0 - 5.61	.77 - 10.64	0 - 3.75

Source: District records and Maricopa County Department of Finance.

Note: Tax rates for overlapping governments are rounded to the nearest cent.

**Maricopa County Community College District
Principal Taxpayers
Current Year and Nine Years Ago**

Taxpayer	Fiscal Year 2023-24			Fiscal Year 2014-15		
	2023-2024 Secondary Assessed Value	Rank	Percentage of 2023-2024 Secondary Assessed Value	2014-2015 Secondary Assessed Value	Rank	Percentage of 2014-2015 Secondary Assessed Value
Arizona Public Service	\$ 1,564,985,962	1	2.86 %	\$ 1,096,239,843	1	3.13 %
Southwest Gas Corporation	260,470,970	2	0.48	153,373,606	2	0.44
Scottsdale Fashion Square LLC	164,322,789	3	0.30	*		-
Smiths Food	156,440,234	4	0.29	*		-
Southern California Edison Co	143,428,382	5	0.26	139,188,489	4	0.40
						-
Ross Dress For Less Inc	139,090,835	6	0.25	*		-
Mayo Clinic Arizona	138,180,530	7	0.25	*		-
TSMC Arizona Corporation	134,852,652	8	0.25	*		-
El Paso Electric Co	117,510,886	9	0.21	126,160,779	5	0.36
Camden USA Inc	110,975,613	10	0.20	*		-
Qwest Corporation / US West	*		-	141,182,026	3	0.40
Mesquite Power LLC	*		-	90,250,000	6	0.26
Wal-Mart Stores Inc.	*		-	82,852,823	7	0.24
Public Service Company Of New Mexico	*		-	73,804,604	8	0.21
Arizona Solar One LLC	*		-	71,262,919	9	0.20
Sundevil Power Holdings, LLC	*		-	69,891,500	10	0.20
Total Principal Taxpayers	\$ 2,930,258,853		5.35 %	\$ 2,044,206,589		5.84 %
Countywide Secondary Valuation	\$ 54,722,310,149			\$ 35,079,646,593		

* Taxpayers did not fall within the top 10 for the year identified.

Source: Maricopa County Assessor's Office.

Note: Salt River Project, a local utility, pays an in-lieu tax based on an estimated assessed valuation. The net assessed valuation for tax year 2024 is \$768,681,000

**Maricopa County Community College District
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Collected within the Fiscal Year of the Levy				Total Collections to Date		
		Adjustments	Total Adjusted Levy	Amount	Percentage of Original Levy	Collections in Subsequent Years	Amount	Percentage of Adjusted Levy
2023-24	593,791,836	(5,902,645)	\$ 587,889,191	578,004,027	97.34 %	-	\$ 578,004,027	98.32 %
2022-23	564,251,179	(6,477,061)	557,774,118	552,380,362	97.90	5,133,820	557,514,182	99.95
2021-22	542,683,443	(2,889,388)	539,794,056	533,215,350	98.26	6,413,584	539,628,933	99.97
2020-21	515,497,641	(2,767,180)	512,730,461	506,678,387	98.29	5,922,889	512,601,275	99.97
2019-20	497,266,795	(2,355,789)	494,911,006	486,796,521	97.89	8,136,079	494,932,600	100.00
2018-19	474,047,249	(3,859,226)	470,188,023	466,256,591	98.36	3,847,116	470,103,706	99.98
2017-18	457,154,415	(3,054,490)	454,099,925	449,084,596	98.23	4,960,679	454,045,275	99.99
2016-17	447,988,858	(3,844,118)	444,144,739	439,720,330	98.15	4,351,394	444,071,725	99.98
2015-16	438,915,649	(3,456,586)	435,459,063	431,453,800	98.30	3,982,444	435,436,244	99.99
2014-15	429,518,349	(3,797,527)	425,720,822	421,433,519	98.12	4,240,654	425,674,173	99.99

Sources: Maricopa County Treasurer and District records.

Notes: Pursuant to Arizona Revised Statutes, the amount of total primary property taxes levied is limited. Starting in fiscal year 1997-98, the District was required to publish notice of its interest to raise taxes to the levy limit and also to hold a public hearing on this proposal. The levy can grow by 2% each year.

The amounts above represent collections relative to the tax levy period, and will not match amounts presented in the financial statements.

**Maricopa County Community College District
Historic Tuition and Fees
Last Ten Fiscal Years**

District Historic Tuition and Fees

Fiscal Year	Per Credit Hour			Annual Cost Per Full-time Student	Increase	
	General Tuition	Fees	Combined Total		Dollars	Percent
2023-24	\$ 97.00	\$ -	\$ 97.00	\$ 2,910.00	\$ 360.00	14.12 %
2022-23	85.00	-	85.00	2,550.00	-	-
2021-22	85.00	-	85.00	2,550.00	-	-
2020-21	85.00	-	85.00	2,550.00	-	-
2019-20	85.00	-	85.00	2,550.00	-	-
2018-19	85.00	-	85.00	2,550.00	(30.00)	(1.16)
2017-18	86.00	-	86.00	2,580.00	-	-
2016-17	86.00	-	86.00	2,580.00	60.00	2.38
2015-16	84.00	-	84.00	2,520.00	-	-
2014-15	84.00	-	84.00	2,520.00	90.00	3.70

**National and Statewide Comparisons
(Based on Full-time Enrollment for the Academic Year)**

Fiscal Year	Maricopa District		National Community College Average (1)		Arizona Universities Average (3)	
	Annual Cost	Percent Change	Annual Cost	Percent Change	Annual Cost	Percent Change
2023-24	\$ 2,910.00	14.12 %	\$ 3,971.00 (2)	10.37 %	\$ 12,773.00	3.13 %
2022-23	2,550.00	-	3,598.00	0.98	12,385.00	3.40
2021-22	2,550.00	-	3,563.00	1.71	11,978.00	0.08
2020-21	2,550.00	-	3,503.00	3.73	11,968.00	-
2019-20	2,550.00	-	3,377.00	1.96	11,968.00	3.07
2018-19	2,550.00	(1.16)	3,312.00	2.16	11,611.00	2.21
2017-18	2,580.00	-	3,242.00	2.72	11,360.00	2.73
2016-17	2,580.00	2.38	3,156.00	3.88	11,058.00	2.90
2015-16	2,520.00	-	3,038.00	2.81	10,746.00	3.65
2014-15	2,520.00	3.70	2,955.00	2.53	10,368.00	3.23

Source: District records.

Note 1: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS).

Note 2: Estimates provided by U.S. Department of Education and District Budget Office.

Note 3: Arizona Board of Regents, Tuition History.

Maricopa County Community College District
Schedule of Ratios of Outstanding Debt
Last Ten Fiscal Years
(Dollars in Thousands, except for per capita, per student and per FTSE)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
General Bonded Debt					
General obligation bonds, net	\$ 92,888	\$ 145,829	\$ 199,635	\$ 270,128	\$ 337,656
Per capita	\$ 19.91	\$ 31.80	\$ 44.29	\$ 60.85	\$ 77.31
Per student	\$ 559.76	\$ 880.03	\$ 1,249.26	\$ 1,667.23	\$ 1,728.97
Per FTSE	\$ 1,650.05	\$ 2,702.34	\$ 3,796.21	\$ 4,788.06	\$ 5,004.39
Other Debt					
Leases payable	\$ 8,369	\$ 9,571	\$ 10,760	\$ -	\$ -
Subscriptions liability	\$ 18,359	\$ 25,233	\$ 9,597	\$ -	\$ -
Total outstanding debt	<u>\$ 119,616</u>	<u>\$ 180,633</u>	<u>\$ 219,992</u>	<u>\$ 270,128</u>	<u>\$ 337,656</u>
Per capita	\$ 25.64	\$ 39.38	\$ 48.81	\$ 60.85	\$ 77.31
Per student	\$ 720.82	\$ 1,090.06	\$ 1,376.65	\$ 1,667.23	\$ 1,728.97
Per FTSE	\$ 2,124.84	\$ 3,347.29	\$ 4,183.31	\$ 4,788.06	\$ 5,004.39

	For the Fiscal Year Ended June 30				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Bonded Debt					
General obligation bonds, net	\$ 411,089	\$ 482,323	\$ 552,588	\$ 607,995	\$ 670,567
Per capita	\$ 95.73	\$ 114.25	\$ 133.57	\$ 149.15	\$ 167.28
Per student	\$ 2,104.08	\$ 2,401.29	\$ 2,736.70	\$ 2,950.94	\$ 3,114.57
Per FTSE	\$ 6,090.39	\$ 6,856.54	\$ 7,666.85	\$ 8,457.53	\$ 8,805.87
Other Debt					
Leases payable	\$ -	\$ -	\$ -	\$ -	\$ -
Subscriptions liability	\$ -	\$ -	\$ -	\$ -	\$ -
Total outstanding debt	<u>\$ 411,089</u>	<u>\$ 482,323</u>	<u>\$ 552,588</u>	<u>\$ 607,995</u>	<u>\$ 670,567</u>
Per capita	\$ 95.73	\$ 114.25	\$ 133.57	\$ 149.15	\$ 167.28
Per student	\$ 2,104.08	\$ 2,401.29	\$ 2,736.70	\$ 2,950.94	\$ 3,114.57
Per FTSE	\$ 6,090.39	\$ 6,856.54	\$ 7,666.85	\$ 8,457.53	\$ 8,805.87

Source: Annual Comprehensive Financial Reports for years presented, Office of Employment and Population Statistics, and District records.

**Maricopa County Community College District
Computation of Legal Debt Margin
Last Ten Fiscal Years**

	Fiscal Year				
	2023-24	2022-23	2021-22	2020-21	2019-20
Debt Limit	\$ 8,208,346,522	7,736,252,728	\$ 7,308,619,001	\$ 6,855,745,472	\$ 6,479,148,959
Total net debt applicable to limit	84,343,023	122,124,629	146,345,369	184,715,000	250,065,000
Legal debt margin	<u>\$ 8,124,003,499</u>	<u>\$ 7,614,128,099</u>	<u>\$ 7,162,273,632</u>	<u>\$ 6,671,030,472</u>	<u>\$ 6,229,083,959</u>
Total net debt applicable to the limit as a percentage of debt limit	1.03%	1.58%	2.00%	2.69%	3.86%

	Fiscal Year				
	2018-19	2017-18	2016-17	2015-16	2014-15
Debt Limit	\$ 6,063,484,863	\$ 5,737,783,687	\$ 5,420,324,171	\$ 5,193,550,548	\$ 5,261,946,989
Total net debt applicable to limit	312,450,000	380,740,000	445,570,000	534,225,000	593,820,000
Legal debt margin	<u>\$ 5,751,034,863</u>	<u>\$ 5,357,043,687</u>	<u>\$ 4,974,754,171</u>	<u>\$ 4,659,325,548</u>	<u>\$ 4,668,126,989</u>
Total net debt applicable to the limit as a percentage of debt limit	5.15%	6.64%	8.22%	10.29%	11.29%

Legal Debt Margin Calculation for Fiscal Year 2023-24

Secondary Assessed Value of Real and Personal Property	\$ 54,722,310,149
Debt Limit, 15% of Secondary Assessed Value	<u>8,208,346,522</u>
Amount of Debt Applicable to Debt Limit:	
General Obligation Bonded Debt	87,320,000
Leases Payable	26,728,023
Amount Available for Debt Repayment	<u>(29,705,000)</u>
Total Debt Applicable to Debt Limit	<u>84,343,023</u>
Legal Debt Margin	<u>\$ 8,124,003,499</u>

Note: The Arizona Constitution, Article 9, Section 8, states that a county or school district may become indebted for an amount not to exceed fifteen percent of taxable property. For fiscal year 2023-24, the District was at 0.15%.

**Maricopa County Community College District
Schedule of Demographic and Economic Statistics
Last Ten Fiscal Years**

Year	County Population	County Personal Income (In Thousands)	County Income per Capita	Phoenix Metro Area Unemployment Rate – June
2024	4,665,020	Not Available (1)	Not Available (1)	3.5 %
2023	4,586,431	312,350,417	68,111	3.9
2022	4,507,419	288,842,282	63,461	3.4
2021	4,439,220	268,713,717	59,759	6.6
2020	4,367,835	245,077,753	53,521	9.8
2019	4,294,460	223,097,349	49,663	4.6
2018	4,221,684	210,370,180	47,694	4.2
2017	4,137,076	196,286,191	45,573	4.5
2016	4,076,438	185,111,698	43,628	5.3
2015	4,008,651	175,437,829	42,092	5.4

Source: Arizona Department of Administration, Office of Employment and Population Statistics at www.azstats.gov, Bureau of Labor Statistics, and Bureau of Economic Analysis.

Notes: All information given for Maricopa County unless otherwise indicated.

Population figures are estimates as of July 1 of each fiscal year.

Amounts obtained are based on estimates which are periodically updated. The numbers provided reflect the most accurate estimates at the time initially presented.

(1) Information not available at date of report. Future data will be added as it becomes available.

**Maricopa County Community College District
Top 10 Employers in Maricopa County
(Ranked by the number of full-time equivalent employees in Arizona)
Current Year and Nine Years Ago**

Employer	Fiscal Year 2023-24			Fiscal Year 2014-15		
	Number of Full-Time Equivalent Employees in Arizona	Rank	Percentage of Total MSA Employment	Number of Full-Time Equivalent Employees in Arizona	Rank	Percentage of Total MSA Employment
Banner Health	46,602	1	1.78 %	35,406	2	1.71 %
State of Arizona	41,531	2	1.58	50,816	1	2.46
Amazon.com Inc.	40,000	3	1.53	*	*	-
Walmart Inc.	37,648	4	1.44	32,373	3	1.57
Arizona State University	37,402	5	1.43	12,676	8	0.61
University of Arizona	23,439	6	0.89	11,442	10	0.55
Fry's Food Stores	21,000	7	0.80	17,286	4	0.84
City of Phoenix	15,018	8	0.57	14,585	5	0.71
HonorHealth	14,801	9	0.56	*	*	-
U.S. Postal Service	13,000	10	0.50	*	*	-
Wells Fargo & Company	*	*	-	14,480	6	0.70
Maricopa County	*	*	-	13,567	7	0.66
Dignity Health	*	*	-	12,100	9	0.59
Total Principal Employers	290,441		11.08 %	214,731		10.40 %
Total Employment in Phoenix-Mesa-Glendale, AZ, Metropolitan Statistical Area as of June 30	2,620,978		0	2,067,566		

* Employers did not fall within the top 10 for the year identified.

Source: The Business Journal, Book of Lists.

Bureau of Labor Statistics for Phoenix-Mesa-Glendale, AZ, Metropolitan Statistical Area.

**Maricopa County Community College District
Employee Statistics
Last Ten Fiscal Years**

	For the Fiscal Year Ended June 30				
	2024	2023	2022	2021	2020
Faculty					
Part-time	4,482	4,726	4,739	5,088	4,230
Full-time	1,306	1,413	1,435	1,425	1,458
Administrative & support staff					
Part-time	1,759	1,806	1,729	1,760	1,960
Full-time	3,405	3,200	3,222	3,274	3,222
Total employees	10,952	11,145	11,125	11,547	10,870
Students per faculty member	30	27	26	25	34
Students per staff member	33	33	32	32	38
Average class size	14	16	21	20	20

	For the Fiscal Year Ended June 30				
	2019	2018	2017	2016	2015
Faculty					
Part-time	3,550	4,258	4,458	4,822	5,089
Full-time	1,501	1,489	1,476	1,419	1,500
Administrative & support staff					
Part-time	2,035	1,838	1,959	1,965	1,894
Full-time	3,091	2,994	2,933	3,024	2,971
Total employees	10,177	10,579	10,826	11,230	11,454
Students per faculty member	39	35	34	33	33
Students per staff member	38	42	41	41	44
Average class size	20	20	20	20	21

Source: District records for Integrated Postsecondary Education Data System (IPEDS).

Notes: Data is as of November 1st of the fiscal year.

The method for calculating adjunct faculty changed effective FY2021 to include Active employees per HCM Job Data.

The source for the data changed effective with FY2016 and all prior years have been restated.

**Maricopa County Community College District
Enrollment and Degree Statistics
Last Ten Fiscal Years**

Historic Headcount

<u>College/Center</u>	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
Phoenix	16,165	15,475	14,232	14,469	16,807	16,719	17,335	17,100	17,382	17,804
Glendale	20,691	20,240	20,921	20,920	25,913	26,054	27,350	27,263	27,947	29,306
GateWay	7,866	7,474	7,364	7,371	7,776	7,685	7,660	7,876	8,495	9,592
Mesa	25,599	24,243	24,462	25,089	30,236	29,837	30,010	30,154	30,770	33,238
Scottsdale	11,319	11,435	11,583	11,706	13,271	13,022	13,652	14,023	14,760	14,770
Rio Salado	34,287	33,974	30,625	33,734	42,086	41,496	42,716	43,882	45,317	46,836
South Mountain	6,113	5,294	5,243	5,205	6,022	5,877	5,909	5,707	5,772	6,159
Chandler-Gilbert	19,870	18,773	18,291	17,704	20,133	19,552	19,559	19,402	19,040	19,225
Paradise Valley	9,614	9,156	9,286	9,656	11,793	12,170	12,427	12,586	12,516	13,314
Estrella Mountain	13,826	12,951	12,086	11,828	14,262	13,772	13,715	13,080	12,571	12,994
Skill Centers	814	801	550	913	924	1,005	1,138	1,190	1,461	1,752
Adult Basic Education	6,789	5,893	5,159	3,427	6,070	8,188	9,389	9,655	10,003	10,310
Total	<u>172,953</u>	<u>165,709</u>	<u>159,802</u>	<u>162,022</u>	<u>195,293</u>	<u>195,377</u>	<u>200,860</u>	<u>201,918</u>	<u>206,034</u>	<u>215,300</u>

Historic FTSE

<u>College/Center</u>	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
Phoenix	5,495	5,233	4,733	5,136	6,079	6,021	6,396	6,453	6,621	6,753
Glendale	7,493	7,234	7,358	7,756	9,904	10,152	10,799	10,965	11,229	11,799
GateWay	2,669	2,665	2,598	2,660	2,821	2,777	2,953	2,962	3,128	3,310
Mesa	8,935	8,363	8,485	9,315	11,508	11,499	11,438	12,022	12,136	13,148
Scottsdale	3,567	3,609	3,639	4,101	4,480	4,490	4,896	5,053	5,288	5,362
Rio Salado	8,969	8,835	8,208	9,375	11,108	10,543	11,149	11,736	11,518	12,494
South Mountain	2,207	1,804	1,787	1,880	2,246	2,243	2,305	2,278	2,318	2,423
Chandler-Gilbert	7,309	6,944	6,736	6,909	8,042	7,905	7,939	7,968	7,828	7,894
Paradise Valley	3,216	3,158	3,250	3,669	4,300	4,332	4,564	4,749	4,641	4,882
Estrella Mountain	5,208	4,973	4,625	4,842	5,915	5,832	5,799	5,694	5,362	5,522
Skill Center	367	372	550	463	463	589	759	902	498	1,137
Adult Basic Education	859	774	619	311	606	1,115	1,347	1,293	1,321	1,426
Total	<u>56,294</u>	<u>53,964</u>	<u>52,588</u>	<u>56,417</u>	<u>67,472</u>	<u>67,498</u>	<u>70,344</u>	<u>72,075</u>	<u>71,888</u>	<u>76,150</u>

Degrees and Certificates Awarded

	<u>2023-24</u>	<u>2022-23</u>	<u>2021-22</u>	<u>2020-21</u>	<u>2019-20</u>	<u>2018-19</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>
Associate of Arts	4,222	3,847	4,682	4,765	5,553	5,947	5,920	5,409	5,537	5,040
Associate of Applied Science	3,377	3,158	3,389	3,229	3,342	3,167	3,098	3,249	3,273	3,403
Associate of Business	905	780	824	736	871	895	850	843	955	796
Associate of General Studies	342	390	379	420	594	776	810	617	631	655
Associate in Science	818	652	763	751	1,048	1,044	1,052	931	954	891
Academic Certificate	139	140	78	74	113	121	119	130	145	158
Certificates of Completion in Occupational Programs	12,629	10,047	7,426	6,326	8,164	7,264	7,437	7,863	8,728	9,118
Arizona General Education Certificate	5,680	5,164	6,394	6,135	7,446	7,831	7,795	7,235	7,685	6,954

Source: District records.

Notes: FTSE refers to Full-Time Student Equivalent which is calculated by dividing total enrollment credit hours per semester by 15 credit hours (the number of hours considered to be a full-time student).

**Maricopa County Community College District
Student Enrollment Demographic Statistics
Last Ten Fiscal Years**

Fiscal Year	Attendance		Enrollment Status			Residency		
	FT	PT	Continuing	New	Former	Resident	Out of County	Out of State
2023-24	29 %	71 %	* %	* %	* %	90 %	3 %	7 %
2022-23	28	72	*	*	*	90	3	7
2021-22	29	71	*	*	*	90	3	7
2020-21	32	68	*	*	*	90	3	7
2019-20	31	69	*	*	*	92	3	5
2018-19	31	69	*	*	*	92	3	5
2017-18	32	68	58	25	17	94	2	4
2016-17	32	68	58	25	17	94	2	4
2015-16	27	73	57	25	18	93	3	4
2014-15	28	72	57	25	18	93	3	4

Fiscal Year	Gender		Ethnic Background						Median Age
	M	F	Native American	Asian	African American	Hispanic	Anglo	Other	
2023-24	41 %	59 %	2 %	5 %	7 %	40 %	38 %	8 %	20
2022-23	42	58	2	5	6	39	41	7	24
2021-22	41	59	2	5	6	37	43	7	21
2020-21	40	60	2	4	6	36	44	8	21
2019-20	42	58	2	4	6	36	43	9	21
2018-19	43	57	2	5	6	35	44	8	21
2017-18	43	57	2	5	7	33	43	10	21
2016-17	44	56	3	5	8	29	45	10	21
2015-16	44	56	3	5	8	27	47	10	21
2014-15	44	56	3	5	8	26	48	10	22

Source: District records.

Note: * Data for breakdown of enrollment status is not currently available, but will be updated when it is available.

Maricopa County Community College District
Schedule of Capital Asset Information
Last Ten Fiscal Years

Location	Fiscal Year									
	2023-24	2022-23	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15
Phoenix										
Total Square Footage	778,700	778,700	778,700	778,700	778,700	778,700	778,700	759,403	759,403	753,589
Total Acreage	66.0	66.0	66.0	66.0	66.0	66.0	66.0	66.0	66.0	66.0
Glendale										
Total Square Footage	810,831	810,831	810,831	810,831	810,831	810,831	810,831	834,028	832,028	809,889
Total Acreage	313.0	313.0	313.0	313.0	313.0	313.0	313.0	313.0	313.1	313.1
GateWay										
Total Square Footage	554,129	554,129	554,129	554,129	554,129	554,129	554,868	532,697	532,697	532,697
Total Acreage	43.1	43.1	43.1	43.1	43.1	43.1	43.1	43.1	43.1	43.1
Mesa										
Total Square Footage	1,046,271	1,046,271	1,046,271	1,046,271	1,046,271	1,046,271	1,046,271	1,036,593	1,036,593	1,019,257
Total Acreage	248.6	248.6	248.6	248.6	248.6	248.6	248.6	248.6	248.6	248.6
Scottsdale										
Total Square Footage	594,451	594,451	594,451	594,451	594,451	594,451	595,890	564,437	564,437	563,937
Total Acreage	162.2	162.2	162.2	162.2	162.2	162.2	162.2	162.2	162.2	162.2
Rio Salado										
Total Square Footage	435,544	435,544	435,544	435,544	435,544	435,544	435,544	435,544	462,521	465,521
Total Acreage	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4
South Mountain										
Total Square Footage	370,671	370,671	352,484	352,484	352,484	352,484	352,484	302,010	302,010	302,010
Total Acreage	148.3	148.3	148.3	148.3	148.3	148.3	148.3	148.3	148.3	142.9
Chandler-Gilbert										
Total Square Footage	672,845	672,845	672,845	672,845	672,845	672,845	670,325	670,325	666,825	654,380
Total Acreage	189.8	189.8	189.8	189.8	189.8	189.8	189.8	189.8	189.8	189.8
Paradise Valley										
Total Square Footage	470,230	470,230	470,230	470,230	463,320	463,320	463,320	463,320	463,320	440,203
Total Acreage	175.9	175.9	175.9	175.9	175.9	175.9	175.9	175.9	175.9	175.9
Estrella Mountain										
Total Square Footage	406,447	406,447	406,447	406,447	360,039	360,039	360,039	360,039	360,039	333,229
Total Acreage	221.1	221.1	221.1	221.1	221.1	221.1	221.1	221.1	221.1	221.1
District Services Support Center										
Total Square Footage	296,483	296,483	296,483	296,483	296,483	296,483	296,483	296,483	296,483	296,483
Total Acreage	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7
Totals for District:										
Total Square Footage	6,436,602	6,436,602	6,418,415	6,418,415	6,365,097	6,365,097	6,364,755	6,254,879	6,276,356	6,171,195
Total Acreage	1,611.1	1,611.1	1,611.1	1,611.1	1,611.1	1,611.1	1,611.1	1,611.1	1,611.2	1,605.8

Source: District records.



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