

## Santa Cruz County Provisional Community College District Annual financial statement audit

The District's fiscal year 2023 reported financial information is reliable. The District's auditors did not report any deficiencies or noncompliance.<sup>1</sup>

### Audit's purpose

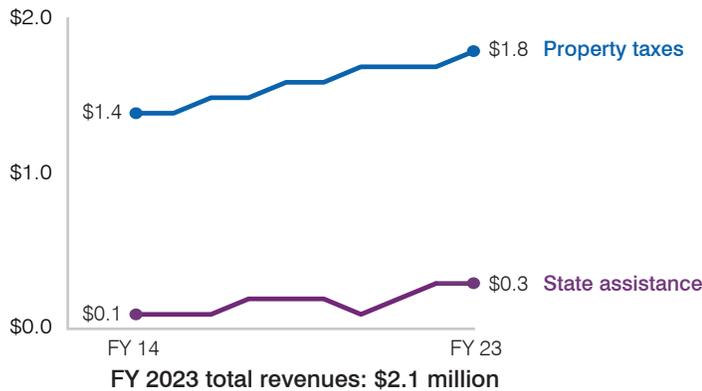
To express opinions on the District's financial statements and, if applicable, to report findings over noncompliance with certain laws and regulations or other financial deficiencies.

### Primary revenue sources and how they were spent

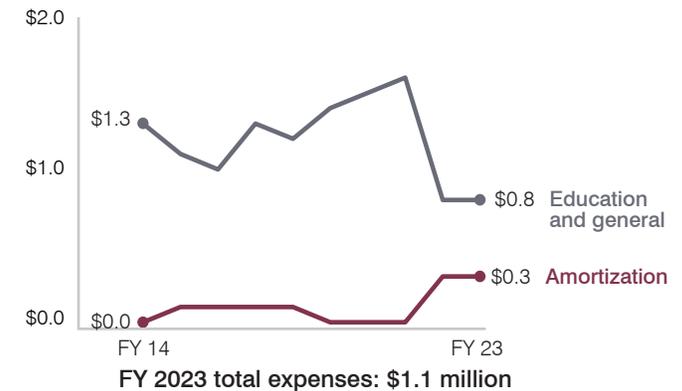
#### Fiscal years (FY) 2014 through 2023

(In millions)

#### Primary revenue sources



#### Primary expense purposes



Source: Auditor General staff summary of information obtained from the District's financial statements.

#### Primary revenue sources FY 2023

- **Property taxes 82.9%**—Levied and collected from property owners based on the assessed value of real and personal property within Santa Cruz County.
- **State assistance 16.1%**—Includes State appropriations for general operations and maintenance and science/technology and workforce programs, and the District's share of State sales taxes.

#### Primary expense purposes FY 2023

- **Education and general 73.4%**—Costs for providing educational programs and services to students through intergovernmental agreements with an accredited Arizona community college district and other educational service providers, including general costs for educational program oversight and administration of District operations. Expenses decreased in fiscal year 2022 because of decreased enrollment and reduced payroll costs, including pension expense.
- **Amortization 26.6%**—The cost of capital assets, such as leasehold improvements and intangible right-to-use lease assets, is allocated over the shorter of the lease term or the useful life of the underlying asset and reported as amortization expense.

### District's net position increased in FY 2023

District revenues were \$1.0 million greater than its expenses, increasing total net position to \$5.1 million at June 30, 2023. Net position includes all assets, such as cash, right-to-use lease assets, and receivables, less all liabilities, such as unpaid pension and other payroll obligations, lease obligations, and accounts payable. Of the total net position, (\$0.1) million represents the District's net investment in capital assets, and the remaining \$5.2 million is unrestricted.

<sup>1</sup> The certified public accounting firm CWDL, CPAs conducted these audits under contract with the Arizona Auditor General in accordance with Arizona Revised Statutes §41-1279.21.

## Auditor General website report links

- The June 30, 2023, Santa Cruz County Provisional Community College District combined Annual Financial Report and Report on Internal Control and on Compliance summarized in these highlights can be found at this [link](#). These reports should be read to fully understand the District's overall financial picture and the District's auditors' reporting responsibilities.
- The District's reports from prior years are available at this [link](#).
- For help in understanding important information presented in these reports, please refer to our user guides at the following links:
  - [Financial Report User Guide for State and Local Governments](#).
  - [Internal Control and Compliance Reports User Guide](#).