

Coconino County Community College District

Expenditure Limitation Report

Year Ended June 30, 2017



A Report to the Arizona Legislature

Debra K. Davenport
Auditor General





The Auditor General is appointed by the Joint Legislative Audit Committee, a bipartisan committee composed of five senators and five representatives. Her mission is to provide independent and impartial information and specific recommendations to improve the operations of state and local government entities. To this end, she provides financial audits and accounting services to the State and political subdivisions, investigates possible misuse of public monies, and conducts performance audits and special reviews of school districts, state agencies, and the programs they administer.

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Audit Staff

Jay Zsorey, Director

David Glennon, Manager and Contact Person

Contact Information

Arizona Office of the Auditor General

2910 N. 44th St.

Ste. 410

Phoenix, AZ 85018

(602) 553-0333

www.azauditor.gov



TABLE OF CONTENTS

Independent accountants' report	1
Annual budgeted expenditure limitation report—part I	3
Annual budgeted expenditure limitation report—part II	4
Notes to annual budgeted expenditure limitation report	5



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

Independent accountants' report

Members of the Arizona State Legislature

The Governing Board of
Coconino County Community College District

We have examined the accompanying annual budgeted expenditure limitation report of Coconino County Community College District for the year ended June 30, 2017, and the related notes to the report. The District's management is responsible for presenting this report in accordance with the uniform expenditure reporting system as described in note 1. Our responsibility is to express an opinion on this report based on our examination.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether this report is presented in accordance with the uniform expenditure reporting system in all material respects. An examination involves performing procedures to obtain evidence about the amounts and disclosures in the report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the report, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the annual budgeted expenditure limitation report referred to above is presented in accordance with the information prescribed by the uniform expenditure reporting system as described in note 1 in all material respects.

Jay Zsorey, CPA
Financial Audit Director

December 1, 2017



**Coconino County Community College District
Annual budgeted expenditure limitation report—part I
Year ended June 30, 2017**

1. Economic Estimates Commission expenditure limitation	\$14,828,763
2. Amount subject to the expenditure limitation (from part II, line C)	<u>14,828,763</u>
3. Amount under the expenditure limitation	<u>\$ 0</u>

I hereby certify, to the best of my knowledge and belief, that the information contained in this report is accurate and in accordance with the requirements of the uniform expenditure reporting system.

Signature of chief fiscal officer: _____

Name and title: Jami Van Ess, Executive Vice President

Telephone number: (928) 226-4209 Date: December 1, 2017

See accompanying notes to report.

**Coconino County Community College District
Annual budgeted expenditure limitation report—part II
Year ended June 30, 2017**

Description	Current funds			Plant funds		Total
	Unrestricted		Restricted	Unexpended	Retirement of indebtedness	
	General	Auxiliary enterprises				
A. Total budgeted expenditures	\$ 15,589,336	\$ 43,559	\$ 5,201,433	\$ 117,755	\$ 2,109,120	\$ 23,061,203
B. Less exclusions claimed:						
Debt service requirements (Note 2)					2,109,120	2,109,120
Dividends, interest, and gains on the sale or redemption of investment securities	217,916					217,916
Grants, aid, or contributions from the federal government, the State of Arizona, other political subdivisions, tribal governments, or special taxing districts	5,858		4,328,396			4,334,254
Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes	157,484		17,650			175,134
Tuition and fees (Note 3)	915,597		3,885			919,482
Amounts received from the State of Arizona for workforce development in accordance with A.R.S. §15-1472			476,534			476,534
Total exclusions claimed	<u>1,296,855</u>		<u>4,826,465</u>		<u>2,109,120</u>	<u>8,232,440</u>
C. Amounts subject to the expenditure limitation	<u>\$ 14,292,481</u>	<u>\$ 43,559</u>	<u>\$ 374,968</u>	<u>\$ 117,755</u>	<u>\$ -</u>	<u>\$ 14,828,763</u>

See accompanying notes to report.

Coconino County Community College District

Notes to annual budgeted expenditure limitation report

Year ended June 30, 2017

Note 1 - Summary of significant accounting policies

The annual budgeted expenditure limitation report (ABELR) is presented as prescribed by the uniform expenditure reporting system (UERS), as required by Arizona Revised Statutes (A.R.S.) §41-1279.07. The ABELR excludes expenditures of certain revenues specified in the Arizona Constitution, Article IX, §21, and A.R.S. §§15-792.03, 15-795.01, 15-1472, and 15-1444 from the total budgeted expenditures.

The information reported in both the ABELR and the financial statements is derived from the same underlying accounting data. However, the formats of the ABELR and the financial statements differ. The ABELR presents budgeted expenditures, exclusions, and amounts subject to the limitation by fund type as required by A.R.S. §41-1279.07. The financial statements present the net position, changes in net position, and cash flows in accordance with U.S. generally accepted accounting principles.

In accordance with the UERS requirements, a note to the ABELR is presented below for any exclusion reported in the total column on part II that cannot be traced directly to an amount reported in the annual financial statements.

Note 2

The exclusions claimed for debt service requirements consists of \$1,885,000 reported as principal paid on capital debt on the statement of cash flows—primary government, and \$224,120 reported as interest expense on debt on the statement of revenues, expenses, and changes in net position—primary government.

Note 3

The District does not budget tuition and fees revenue net of scholarship allowances. Of the gross tuition and fees of \$7,736,498 reported on the statement of revenues, expenses, and changes in net position—primary government, only \$919,482 was expended and claimed as an exclusion. The remaining \$6,817,016 has been carried forward to future years.

