

**COCONINO COUNTY COMMUNITY COLLEGE DISTRICT
(COCONINO COMMUNITY COLLEGE)
REPORT ON AUDIT OF ANNUAL BUDGETED
EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30, 2002**

**COCONINO COUNTY COMMUNITY COLLEGE DISTRICT
(COCONINO COMMUNITY COLLEGE)
REPORT ON AUDIT OF ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30, 2002**

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HEINFELD, MEECH & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

Auditor General of the State of Arizona

The Governing Board of
Coconino County Community College District

We have audited the accompanying Annual Budgeted Expenditure Limitation Report of Coconino County Community College District for the year ended June 30, 2002. This report is the responsibility of the District's management. Our responsibility is to express an opinion on this report based on our audit.

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

The accompanying Annual Budgeted Expenditure Limitation Report was prepared for the purpose of complying with the uniform expenditure reporting system as discussed in Note 1, and is not intended to be a presentation in conformity with U.S. generally accepted accounting principles.

In our opinion, the Annual Budgeted Expenditure Limitation Report of Coconino County Community College District for the year ended June 30, 2002, referred to above presents fairly, in all material respects, the information required by the uniform expenditure reporting system on the basis of accounting described in Note 1.

This report is intended solely for the information and use of the members of the Arizona State Legislature and the Governing Board, and for the filing with the Auditor General of the State of Arizona and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

HEINFELD, MEECH & CO., P.C.
Certified Public Accountants

October 10, 2002

**COCONINO COUNTY COMMUNITY COLLEGE DISTRICT
(COCONINO COMMUNITY COLLEGE)
ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT - PART 1
YEAR ENDED JUNE 30, 2002**

1. Economic Estimates Commission expenditure limitation	<u>\$ 8,996,579</u>
2. Voter approved modified expenditure limitation	<u>N/A</u>
3. Enter applicable amount from Line 1 or Line 2	<u>\$ 8,996,579</u>
4. Total amount subject to the expenditure limitation (from Part II, Line C)	<u>\$ 9,314,557</u>
5. Less expenditures of monies received pursuant to Arizona Revised Statutes §15-1472 (workforce development)	<u>\$ (317,979)</u>
6. Adjusted amount subject to the expenditure limitation	<u>\$ 8,996,578</u>
7. Amount under the expenditure limitation	<u>\$ 1</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 V. Bradley, Vice President for Administrative Support

Telephone Number: (520) 527-4441 Date: October 10, 2002

See accompanying notes to report.

**COCONINO COUNTY COMMUNITY COLLEGE DISTRICT
(COCONINO COMMUNITY COLLEGE)
ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT - PART II
YEAR ENDED JUNE 30, 2002**

<u>Description</u>	<u>Current Funds</u>			<u>Plant Funds</u>		<u>Total</u>
	<u>Unrestricted</u>			<u>Unexpended</u>	<u>Retirement of Indebtedness</u>	
	<u>General</u>	<u>Auxiliary Enterprises</u>	<u>Restricted</u>			
A. Total budgeted expenditures	\$ 10,149,576	\$ 49,650	\$ 2,425,757	\$ 6,972,697	1,813,343	\$ 21,411,023
B. Less exclusions claimed:						
Debt service requirements on bonded indebtedness (Note 2)					1,813,343	1,813,343
Grants and aid from the federal government	14,869		2,042,690			2,057,559
Grants, aid, contributions, or gifts from a private agency, organization, or individual except amounts received in lieu of taxes	79,363		17,425			96,788
Amounts accumulated for the purchase of land and the purchase or construction of buildings or improvements (Note 3)				6,972,697		6,972,697
Tuition and fees (Note 4)	1,156,079					1,156,079
Total exclusions claimed	<u>1,250,311</u>		<u>2,060,115</u>	<u>6,972,697</u>	<u>1,813,343</u>	<u>12,096,466</u>
C. Amounts subject to the expenditure limitation	<u>\$ 8,899,265</u>	<u>\$ 49,650</u>	<u>\$ 365,642</u>	<u>\$</u>	<u>\$</u>	<u>\$ 9,314,557</u>

See accompanying notes to report.

**COCONINO COUNTY COMMUNITY COLLEGE DISTRICT
(COCONINO COMMUNITY COLLEGE)
NOTES TO ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30, 2002**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Annual Budgeted Expenditure Limitation Report (ABELR) is presented on the basis of accounting prescribed by the *Uniform Expenditure Reporting System* (UERS), as required by Arizona Revised Statutes (A.R.S.) §41-1279.07, which excludes expenditures of certain revenues specified in the Arizona Constitution, Article IX, §21 from the budgeted expenditures.

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

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

- NOTE 2** - Exclusions claimed for Debt service requirements on bonded indebtedness are \$1,813,343. This amount consists of the amounts reported as principal paid on capital debt and interest paid on capital debt, \$625,000 and \$1,188,343 respectively, on the Statement of Cash Flows.
- NOTE 3** - The Statement of Cash Flows reports the purchases of capital assets of \$7,713,917. Of this amount, \$6,723,073 was expended from bond proceeds and is claimed as an exclusion. In addition, the District expended \$1,414,477 from bond proceeds for assets that did not meet the capitalization threshold policy and are therefore recorded on the Statement of Revenues, Expenses, and Changes in Net Assets as functional expenses. Of this amount, \$249,624 was claimed as an exclusion.
- NOTE 4** - Of the gross tuition and fees of \$2,055,868 reported in the Statement of Revenues, Expenses, and Changes in Net Assets, only \$1,156,079 was claimed as an exclusion. The remaining \$899,789 has been carried forward to future years.