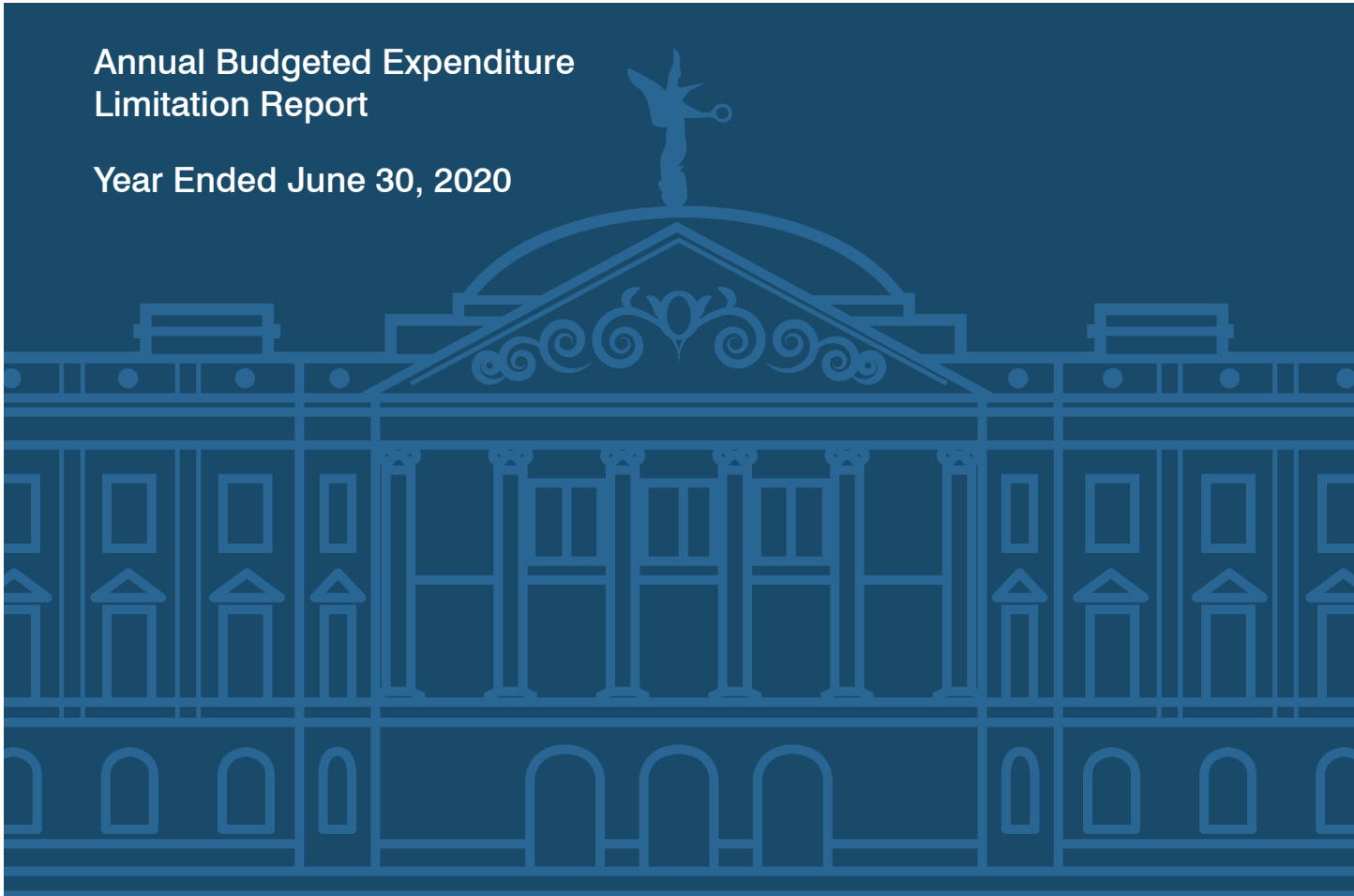


# Yavapai County Community College District

Annual Budgeted Expenditure  
Limitation Report

Year Ended June 30, 2020



A Report to the Arizona Legislature

Lindsey A. Perry  
Auditor General





The Arizona Office of the Auditor General's mission is to provide independent and impartial information and specific recommendations to improve the operations of State and local government entities. To this end, the Office 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.

## The Joint Legislative Audit Committee

Senator **Nancy Barto**, Chair  
Senator **Rosanna Gabaldon**  
Senator **David Livingston**  
Senator **Juan Mendez**  
Senator **Kelly Townsend**  
Senator **Karen Fann** (ex officio)

Representative **Joanne Osborne**, Vice Chair  
Representative **Timothy M. Dunn**  
Representative **Steve Kaiser**  
Representative **Jennifer Longdon**  
Representative **Pamela Powers Hannley**  
Representative **Rusty Bowers** (ex officio)

## Audit Staff

**Donna Miller**, Director  
**David Glennon**, Manager

## Contact Information

**Arizona Office of the Auditor General**  
**2910 N. 44th St., Ste. 410**  
**Phoenix, AZ 85018-7271**

**(602) 553-0333**

**[contact@azauditor.gov](mailto:contact@azauditor.gov)**

**[www.azauditor.gov](http://www.azauditor.gov)**



# TABLE OF CONTENTS

<b>Independent accountants' report</b>	1
<b>Annual Budgeted Expenditure Limitation Report—Part I</b>	2
<b>Annual Budgeted Expenditure Limitation Report—Part II</b>	3
<b>Notes to Annual Budgeted Expenditure Limitation Report</b>	4



**LINDSEY A. PERRY**  
AUDITOR GENERAL

**ARIZONA**  
**AUDITOR GENERAL**

**MELANIE M. CHESNEY**  
DEPUTY AUDITOR GENERAL

## Independent accountants' report

Members of the Arizona State Legislature

The Governing Board of  
Yavapai County Community College District

We have examined the accompanying Annual Budgeted Expenditure Limitation Report of Yavapai County Community College District for the year ended June 30, 2020, 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 Uniform Expenditure Reporting System as described in Note 1 in all material respects.

Donna Miller, CPA  
Director, Financial Audit Division

February 16, 2021

**Yavapai County Community College District  
(Yavapai College)  
Annual Budgeted Expenditure Limitation Report—Part I  
Year ended June 30, 2020**

1. Economic Estimates Commission expenditure limitation	\$46,385,213
2. Total amount subject to the expenditure limitation (from Part II, Line C)	<u>43,838,630</u>
3. Amount under the expenditure limitation	<u>\$ 2,546,583</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: (Signature removed for website presentation.)

Name and title: Clint Ewell, Vice President of Finance and Administrative Services

Telephone number: (928) 776-2110 Date: February 16, 2021

See accompanying notes to report.

**Yavapai County Community College District  
(Yavapai College)  
Annual Budgeted Expenditure Limitation Report—Part II  
Year ended June 30, 2020**

Description	Current funds			Plant funds		Total
	Unrestricted		Restricted	Unexpended	Retirement of indebtedness	
	General	Auxiliary enterprises				
A. Total budgeted expenditures	\$ 47,927,700	\$ 4,636,000	\$ 13,889,000	\$ 13,400,300	\$ 6,560,600	\$ 86,413,600
B. Less exclusions claimed:						
Debt service requirements (Note 2)					6,557,596	6,557,596
Dividends, interest, and gains on the sale or redemption of investment securities (Note 3)	261,728			148,825	3,004	413,557
Grants, aid, or contributions from the federal government, the State of Arizona, other political subdivisions, tribal governments, or special taxing districts (Note 4)			11,148,924			11,148,924
Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes (Note 6)	14,532	611,269	961,107			1,586,908
Amounts accumulated for purchases of land, and the purchase or construction of buildings or improvements (Note 7)				8,377,805		8,377,805
Tuition and fees (Note 5)	10,901,044	1,624,271				12,525,315
Amounts earned through research and entrepreneurial activities (Note 5)		1,264,305				1,264,305
Amounts received from the State of Arizona on workforce development in accordance with A.R.S. §15-1472 (Note 8)			700,560			700,560
Total exclusions claimed	<u>11,177,304</u>	<u>3,499,845</u>	<u>12,810,591</u>	<u>8,526,630</u>	<u>6,560,600</u>	<u>42,574,970</u>
C. Amounts subject to the expenditure limitation	<u>\$ 36,750,396</u>	<u>\$ 1,136,155</u>	<u>\$ 1,078,409</u>	<u>\$ 4,873,670</u>	<u>\$ -</u>	<u>\$ 43,838,630</u>

See accompanying notes to report.

**Yavapai County Community College District  
 (Yavapai College)  
 Notes to Annual Budgeted Expenditure Limitation Report  
 Year ended June 30, 2020**

**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 by the Arizona Constitution, Article IX, §21, and A.R.S. §§15-792.03, 15-795.01, 15-1444, and 15-1472, as applicable, 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 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 on the annual financial statements.

**Note 2**

The exclusion claimed for debt service requirements includes the amounts reported as principal and interest paid on capital debt on the statement of cash flows—primary government.

**Note 3**

The following schedule presents exclusions claimed for dividends, interest, and gains on the sale or redemption of investment securities:

Investment earnings reported on the statement of revenues, expenses, and changes in net position—primary government	\$464,145
Interest income not excludable	<u>(50,588)</u>
Total	<u>\$413,557</u>

**Note 4**

Of the \$11,191,331 reported as government grants on the statement of revenues, expenses, and changes in net position—primary government, only \$11,148,924 was expended and claimed as an exclusion for grants, aid, or contributions from the federal government, the State of Arizona, other political subdivisions, tribal governments, or special taxing districts. Revenues of \$42,407 have been carried forward to future years.

**Note 5**

The District does not budget tuition and fees and dormitory rental revenues net of scholarship allowances. The following schedule presents revenues from which exclusions have been claimed for tuition and fees,

**Yavapai County Community College District  
(Yavapai College)  
Notes to Annual Budgeted Expenditure Limitation Report  
Year ended June 30, 2020**

dormitory rentals, bookstore income, and amounts earned through research and entrepreneurial activities, which are included in other revenues:

<b>Statement of revenues, expenses and changes in net position—primary government:</b>		<b>Annual budgeted expenditure limitation report:</b>	
Tuition and fees (gross)	\$11,850,452	Tuition and fees	\$12,525,315
Dormitory rentals (gross)	1,104,814	Amounts earned through research and entrepreneurial activities	1,264,305
Bookstore income	133,991	Other revenues (nonexcludable)	137,479
Other operating revenues	<u>1,402,117</u>	Unspent revenues carried forward	<u>564,275</u>
Total	<u>\$14,491,374</u>	Total	<u>\$14,491,374</u>

**Note 6**

Of the \$1,611,282 reported as private grants and gifts on the statement of revenues, expenses, and changes in net position—primary government; \$1,586,908 was expended and claimed as an exclusion for grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes. The remaining \$24,374 was not excludable revenue.

**Note 7**

The District claimed an exclusion of \$8,377,805 for amounts accumulated for the purchase of land and the purchase or construction of buildings or improvements. This amount is included as part of the \$10,571,397 reported as purchases of capital assets on the statement of cash flows—primary government.

**Note 8**

Amounts received from the State of Arizona for workforce development in accordance with A.R.S. §15-1472 are reported as the share of State sales taxes on the statement of revenues, expenses, and changes in net position—primary government. Of these excludable revenues, only \$700,560 was expended and claimed as an exclusion. The remaining \$138,002 has been carried forward to future years.



