

Graham County Community College District

REPORT HIGHLIGHTS FINANCIAL STATEMENT AND SINGLE AUDITS

Our Conclusion

Graham County Community College District is responsible for preparing annual financial statements and a schedule of expenditures of federal awards, maintaining effective internal controls, and being accountable for its use of public monies. Our Office is responsible for auditing the District's financial statements, schedule, and major federal programs annually. A summary of the financial statements and schedule of expenditures of federal awards is presented to the right.

Based on our audits, we issued reports that included our opinions on the District's financial statements and its schedule of expenditures of federal awards and reports on its internal control and compliance over financial reporting and major federal programs. The information in the District's fiscal year 2012 financial statements and schedule of expenditures of federal awards is reliable. Our reports on internal control and compliance did not include any reported deficiencies in the District's internal control or compliance over financial reporting and major federal programs.



2012

Year Ended June 30, 2012

Condensed financial information

Statement of net assets—This statement reports all assets, liabilities, and net assets. Net assets, the difference between assets and liabilities, are reported in three major categories:

- **Invested in capital assets**—shows the equity in property, buildings, and equipment.
- **Restricted**—shows the resources that must be used for restricted purposes as specified by donors and external entities, such as the federal government.
- **Unrestricted**—shows the resources available for general operations.

Statement of revenues, expenses, and changes in net assets—This statement reports all revenues, expenses, and other changes in net assets. The change in net assets indicates whether financial health has improved or deteriorated as a result of current-year activities. During fiscal year 2012, net assets increased by \$724,000, or 1 percent, as compared to an increase of \$3.4 million, or 5 percent, in fiscal year 2011.

Schedule of expenditures of federal awards—During fiscal year 2012, the District expended \$7.7 million in federal awards, which consisted primarily of student financial assistance and was spent as educational and general operating expenses. The District's federal award expenditures decreased by \$1.3 million, or 14.6 percent, compared to fiscal year 2011.

Condensed statement of net assets As of June 30, 2012 (In thousands)

Assets	
Current assets	\$44,464
Capital assets, net of depreciation	38,256
Total assets	<u>82,720</u>
Liabilities	
Current	1,983
Noncurrent	1,701
Total liabilities	<u>3,684</u>
Net assets	
Invested in capital assets	38,256
Restricted	1,895
Unrestricted	<u>38,885</u>
Total net assets	<u>\$79,036</u>

Condensed statement of revenues, expenses, and changes in net assets For the year ended June 30, 2012 (In thousands)

Operating revenues	
Tuition and fees, net of scholarship allowances	\$ 3,107
Government contracts	4,752
Other	<u>1,130</u>
Total operating revenues	<u>8,989</u>
Operating expenses	
Educational and general	37,897
Auxiliary enterprises	2,644
Depreciation	<u>1,828</u>
Total operating expenses	<u>42,369</u>
Operating loss	(33,380)
Nonoperating revenues	
Property taxes	4,097
State appropriations	21,606
Government grants	7,887
Other	<u>514</u>
Net nonoperating revenues	<u>34,104</u>
Increase in net assets	724
Net assets—beginning	<u>78,312</u>
Net assets—ending	<u>\$79,036</u>

Condensed schedule of expenditures of federal awards by grantor agency For the year ended June 30, 2012 (In thousands)

U.S. Department of Education	\$7,511
U.S. Department of Labor	103
U.S. Small Business Administration	90
National Science Foundation	26
U.S. Department of Agriculture	<u>17</u>
Total federal expenditures	<u>\$7,747</u>



**Graham County
Community College District**

A copy of the District's Financial Statement
and Single Audit Report
is available at: www.azauditor.gov
Contact person:
Kathleen Wood (602) 553-0333

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Year Ended June 30, 2012