Maricopa County Community College District

Phoenix, Arizona

Chandler-Gilbert

Estrella Mountain

GateWay

Glendale

Mesa

Paradise Valley

Phoenix

Rio Salado

Scottsdale

South Mountain

Glendale Community College

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022

MARICOPA COMMUNITY COLLEGES

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022

Maricopa County Community College District
Phoenix, Arizona

Prepared by

Division of Business Services

Maricopa County Community College District
Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2022

Table of Contents

Introductory Section

Office of the Chancellor

2411 West 14th Street, Tempe, AZ. 85281 • T: 480.731.8100 • F: 480.731.8120 • www.maricopa.edu

January 30, 2023

To the Citizens of Maricopa County:

I am pleased to submit the Annual Comprehensive Financial Report for the fiscal year ending on June 30, 2022. I invite you to read through the report, which reflects the progress the Maricopa County Community College District (MCCCD) has made during the past year.

As one of the nation's most respected community college systems, MCCCD is proud to be the first community college in the state of Arizona approved to offer bachelor's degree programs under the S.B. 1453 legislation signed by Governor Doug Ducey in May 2021. During 2022, our District Bachelor's Degree Team made tremendous progress in advancing our work forward. This work includes receiving authorization from MCCCD's Governing Board and accreditation approval from the Higher Learning Commission (HLC) for seven bachelor's degree programs. The next steps for our system include receiving approval for Federal Financial Aid eligibility and establishing course tuition rates. We anticipate course offerings will be available to our students and community beginning Fall 2023. MCCCD remains committed to providing affordable and accessible education at all levels, including bachelor's degree programs.

As a leader in regional workforce development, 2022 was an incredible year for our system, as we built new and strengthened existing strategic partnerships. This spring, we were honored to welcome the First Lady of the United States, Dr. Jill Biden, to learn about our new, state-of-the-art Semiconductor Technician Quick Start Program at Intel Corporation's Ocotillo campus. This was an excellent opportunity for Dr. Biden to learn about the advanced manufacturing programs we offer in collaboration with Intel Corporation and see first-hand what makes MCCCD an exceptional system of higher education. Additionally, Dr. Biden was able to view first-hand how MCCCD's partnerships are making a difference in economic recovery efforts and supply chain disruptions.

Since Dr. Biden's visit, the Semiconductor Technician Quick Start Program has received national attention, becoming a model for colleges and universities across the country. In the summer of 2022, the program graduated its inaugural cohort, which was made up entirely of female students. We could not be prouder of our partnership with Fresh Start Women's Foundation. Because of this partnership, twelve women from traditionally underrepresented communities were able to learn skills needed for roles as a technician. Since the program's launch, eighty-two women have enrolled from June to October 2022.

Our system, again in partnership with Intel Corporation, offers innovative programs that help provide a pipeline for skilled employees in today's labor market. One example is our Artificial Intelligence (AI) and Machine Learning program, which meets the demands of workforce training and prepares tomorrow's leaders through immersive experiences with real-world applications on how AI will shape their industry. The demand for AI skills continues to rise in Maricopa County with the projected job growth requiring AI skills expected to grow exponentially over time with 43 percent happening in the next ten years. Additionally, AI skills were the second-most in-demand skill behind cloud computing. In March, Chandler-Gilbert Community College, in cooperation with Intel Corporation, opened a first-of-its-kind AI incubator lab, expanding access and resources to students enrolled in the AI for Workforce program. As a result of this innovative partnership, Chandler-Gilbert Community College and Estrella Mountain Community College received the Innovator of the Year – Academia award during the 2022 Governor's Celebration of Innovation Award ceremony. They are the first community colleges in Arizona to receive the prestigious award.

To help relieve the financial burden that Phoenix residents may incur while attending college and advancing their careers, a new partnership with the City of Phoenix called Route to Relief was launched this July. Supported by the City's Federal pandemic relief dollars, Route to Relief provides eligible students with free tuition, monthly stipends, and employment assistance. The assistance can be used in a number of eligible programs across the ten Maricopa Community Colleges and include dozens of high-demand workforce areas. Another way the City of Phoenix and MCCCD is helping residents achieve their academic dreams is through the Phoenix Promise Program, which provides scholarships and student support funding to approximately 400 residents pursuing degrees at Maricopa Community Colleges. Administered through the Maricopa Community Colleges Foundation, the Phoenix Promise Program utilizes funding from the Federal American Rescue Plan Act to support eligible residents.

Our system remains committed to investing and expanding programs that provide cutting-edge, educational opportunities for students, employees, and the communities we serve. In recent years, we have seen a resurgence of interest in bioscience programs. In the next decade, the bioscience workforce in Arizona is projected to grow by an estimated 20 percent. Therefore, we were pleased to receive $1 million in Federal Community Project Funding secured by the House Labor, Health and Human Services, Education and Related Agencies Appropriations bill, H.R. 8295. With Congressman Greg Stanton's approval of MCCCD's proposal, our system is investing those funds into the rapidly growing bioscience programs at Maricopa Community Colleges.

As we emerge from the pandemic, we recognize that our community is counting on us to be at our best. Over the last three years, our dedicated faculty and staff have worked tirelessly to serve our students via a number of learning modalities, often going above and beyond to ensure we deliver on our promise of providing access to an affordable, high-quality education. On a positive note, our system has seen an increase in our dual enrollment student pipeline, which allows high school students to take college classes and earn credits that count toward their high school diploma and college degree. Another area where our system is making strides is with our Career and Technical Education (CTE) and Fast Track Certificates. Both programs offer students specialized training in high-demand trades, strengthening our economy and workforce development.

As the continued rise in inflation greatly impacts college plans due to concerns centered on the cost of tuition, MCCCD remains committed to keeping tuition and fees for in-county students considerably lower than those at other universities and private colleges. Low tuition and fee rates offer students affordable options that make the decision to pursue their education more accessible.

2022 has been a fantastic year for MCCCD even with our challenges and I am proud of what we have accomplished. In the upcoming year, the next step for our system is to implement our strategic plan, which will guide the work we do going forward as we continue to be an educational leader in innovative programs and workforce development. I look forward to sharing our institution's future advancement and achievements.

Respectfully,

Dr. Steven R. Gonzales
Chancellor

2411 West 14th Street, Tempe, AZ. 85281 • T: 480.731.8100 • F: 480.731.8120 • www.maricopa.edu

January 30, 2023

To the Residents of the Maricopa County Community College District:

We are pleased to provide you with the Annual Comprehensive Financial Report (ACFR) of the Maricopa County Community College District (MCCCD; the District) for the fiscal year ended June 30, 2022 (FY 2022).

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. Disclosures necessary to enable the reader to gain an understanding of the District's financial status and activities have been included.

Management is responsible for establishing and maintaining internal controls, which ensure that assets are protected from loss, theft, or misuse, and ensuring that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

Audit services are provided to the MCCCD by the Arizona Auditor General. Arizona Revised Statutes require an annual audit of the District's financial statements. This requirement has been complied with and the Independent Auditors' Report is included in this document. The auditors' opinion is unmodified.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditors' Report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Reporting Entity

The District is an independent reporting entity within the criteria established by generally accepted accounting principles (GAAP) and the Governmental Accounting Standards Board (GASB). According to GASB Statement No. 14, the financial reporting entity consists of "a primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete." MCCCD is a primary government because it is "a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments". Although the District shares the same geographic boundaries with Maricopa County, financial accountability for all activities related to public community college education in Maricopa County is exercised solely by the District. In accordance with

Reporting Entity (continued)

GASB Statement No. 39, the financial activity of the Maricopa County Community College District Foundation is presented as a component unit of the District. The District is not included in any other governmental financial reporting entity.

Profile of Maricopa County Community College District

As a political subdivision of the State of Arizona, the MCCCD is subject to the oversight of the District's Governing Board (the Board), which is comprised of seven elected members, five elected from geographical districts within Maricopa county and two at-large members representing the entire county. Board members are elected in staggered years to four-year terms. The Board is granted full authority from the Arizona Revised Statutes to oversee the business and educational needs of the District.

The District serves the educational needs of Maricopa County through ten accredited colleges and three skill centers. The colleges and skill centers are managed by ten college presidents. District-wide administrative and support services are centralized and administered by the Chancellor; Provost; Vice Chancellor, Business Services; Chief Human Resource Officer; Chief Information Officer; and Vice Chancellor, Community, Government Relations, and Economic Development.

History

The District was established in 1962 under the provisions of legislation enacted by the Arizona State Legislature in 1960. This legislation created the Arizona State Junior College System and provided for the formation of junior college districts on a county basis throughout the state. At that time there was one college in the system, Phoenix [Junior] College, founded in 1920. Today the District consists of ten regionally accredited colleges, comprising one of the nation's largest multi-college community college systems.

Geography/Population

Located in the south-central portion of the State of Arizona, Maricopa County (the County) qualifies as the major economic, political, and population center in the State. The area includes the Greater Phoenix Metropolitan Area, which is comprised of Phoenix, Glendale, Mesa, Scottsdale, Paradise Valley, Tempe, Peoria, Chandler, Gilbert, and other smaller cities and towns in addition to all the unincorporated areas of the County. Encompassing over 9,200 square miles, Maricopa County is the fourteenth largest county in land area in the continental U.S. and larger than seven states.

Maricopa County continues to have one of the fastest growing populations in the United States. According to the U.S. Census Bureau Population Division, the County's population is estimated to have increased by 16% in the 10-year period between the official census dates of April 2010 and April 2020. As of July 2021, the Arizona Office of Economic Opportunity estimated the County's population to be 4,507,419, making it the fourth most populated county in the nation.

Maricopa County has 62% of the State's total population and 66% of the total labor force. A majority of the County's labor force (87%) is employed in the service markets. These include trade, transportation, and utilities; professional and business services; educational and health services; government; leisure and hospitality; and financial activities.

Profile of Maricopa County Community College District (continued)

Types of Services

The District is the largest single provider of post-secondary education in Arizona – offering affordable education to over 159,000 individuals year-round in credit classes and over 5,000 individuals in special-interest/non-credit classes.

The District offers a wide range of quality academic, career and technical, and personal interest programs to meet the needs of students throughout Maricopa County. Students planning to transfer to a four-year institution may first complete the 35-credit hour Arizona General Education Curriculum core and/or an associate degree. The District offers the following associate degrees: Associate in Arts (including specialized degrees in Elementary Education and Fine Arts), Associate in Business, Associate in Science, Associate in General Studies, and Associate in Applied Sciences. Numerous Associate of Applied Science degrees and Certificates of Completion are available for students seeking technical expertise or upgrading skills in a specific career area. Non-credit personal interest courses are available in many areas including the arts, computer technology, personal development, and financial management. As indicated by racial category, the student enrollment data mirrors the population of Maricopa County: 43% Anglo, 37% Hispanic, 6% African American, 5% Asian, 2% Native American and 7% other.

The District is a major part of the community and continues to be a pipeline for the State's four-year universities, primarily Arizona State University (ASU). In academic year 2021-2022, over 33,000 undergraduates enrolled at the three state universities had transferred 12 or more credits from MCCCD.

The District also provides a variety of direct services to the community. These include: KJZZ-FM Public Radio-91.5 (news/jazz); KBAQ-FM Public Radio-89.5 (classical); Sun Sounds Radio Reading Service (for the visually-impaired); the Small Business Development Center state-wide network; and two charter high schools with accelerated, career-focused programs offering concurrent college courses at central city college campuses.

State and Local Economy

The District is the largest provider of workforce training in Arizona, with programs in areas such as nursing and allied health, information technologies, business, construction and manufacturing, public services (police and fire science), and design fields. Through its Center for Workforce Development, the District has become well known both locally and nationally as the largest provider of job training in Arizona for new and expanding companies and enjoys ongoing success in forging partnerships with business and industry. The District, the State's other community college districts and public universities, and private colleges, universities and technical institutes, play a key role in providing the necessary workforce development and job training offerings to meet the needs of the state's employment markets. This solid infrastructure of educational institutions significantly contributes to the dynamic performance of the Arizona workforce and its economy.

Employment in Arizona increased by 97 jobs from 3,109,093 jobs in the second quarter of 2019 to 3,109,190 jobs in the second quarter of 2021. The minimal job growth was caused by the Coronavirus Pandemic. The Office of Economic Opportunity within the Arizona Department of Administration projected Arizona's economy to grow steadily for the calendar years 2021-2023. Specifically, Arizona's jobs are projected to increase to 3,375,515 in the second quarter of 2023 which indicates an estimated net growth of 266,325 jobs. This translates into 4.2% annualized growth for the two-year period. This data was reported in February 2022. As of November 2022, Arizona's seasonally adjusted nonfarm unemployment rate was 4.1%.

Long-term Financial and Operational Planning

The District engages in an annual financial planning cycle that involves all levels of the organization. This planning process provides a framework to advance the District's vision, mission and goals in order to meet the needs of the students and community.

Budget and financial policies, approved by the Board, provide guidance for sufficient planning of resources, appropriate divisions between operational and capital activity, and adequate reserve levels for revenue shortfalls or expenditure needs. Fiscal integrity is the cornerstone upon which the District plans, monitors, and reports its financial activities and resources. Particular emphasis is placed on maintaining the financial stability of the District and the annual budget is developed with this objective. Goals for financial stability enable the District to manage revenue shortfalls and cash flows to ensure continued operations and to provide for unforeseen contingencies without impairing the quality of service needed to respond to its customers.

This planning process and policy guidance support the development of the District's long-term operational planning which is included each year in the annual budget and related presentations. This multi-year plan helps the District align its key components of strategic and financial planning with estimated trends in funding as well as linking long-term strategic directions with estimated long-term budget resources.

Budget Process

The District's elected Governing Board establishes policy and sets goals and priorities. With an eye towards shared governance, the Chancellor has established an Advisory Budget Council (ABC) comprised of representatives from employee groups (faculty and staff), college presidents, college senior councils, and District Office leadership. The purpose of ABC is to discuss and provide recommendations to the Chancellor and the Chancellor's Executive Council (CEC) on resource projections and funding priorities for future budgets. These recommendations are the basis for a fiscally stable budget presented to the Governing Board for its consideration. At a public meeting in the spring, the Governing Board adopts a final budget at a public meeting no later than June 20.

Financial Reporting

An automated financial accounting system captures all financial transactions and provides data for the preparation of this ACFR, including the audited financial statements. These statements present information on the financial position of the District and confirm that resources were adequate to cover the costs of providing services during the reporting period. The District's award-winning ACFR is distributed to the Board, executive management, the state legislature, federal and state agencies, bond-rating agencies, financial institutions and the general public. Internal management reports, customized to meet the information and decision-making needs at all levels of the organization, aid in the management of financial resources. The District also routinely monitors and reports on revenue collections and actual expenses compared to budget at each college. It carefully reviews fluctuations and implements strategies to remedy variances throughout the year.

Major Initiatives

Over several years, strategic commitments were identified to further the District's objective to increase student success and completion rates. To achieve these commitments and better meet the needs of students and the community, the District embarked on a transformation plan and committed resources to see its implementation. As a community of colleges serving a large and diverse metropolitan area, shifting our culture from 10 individual colleges to a system of colleges working together to support students and the community, will enable the District to be more entrepreneurial, increase efficiency and collaboration, and better leverage resources across the system. The District's transformation is focused on three primary areas: Guided Pathways and Student Support, Industry Partnerships, and Enterprise Performance.

Guided Pathways and Student Support

Research shows that students are more likely to complete on time if they identify a career goal early on, have a clear outline of the courses required, and receive consistent guidance and support along the way. We have structured our colleges to more effectively support students from the time they seek access through successful completion of a course of study and receive a certification, associate's degree, or transfer to a higher education institution. Guided Pathways represents a comprehensive approach to improving student completion and provides students with more clarity about the steps necessary to achieve their educational goals. Additional guidance from counseling or advising early in students' journeys increases the likelihood of completion (transfer or career placement).

Industry Partnerships

Robust relationships between colleges and local employers are critical to building strong workforce development programs for students. Industry partners play a key role in curriculum development and credential validation to ensure graduates and certification holders have the right credentials to perform the necessary functions. Those same partners also can bring to life career options and work-based experiences that help students apply their education and potentially earn credits while earning wages. The District is working to transform targeted industry sector programs into regional "institutes" involving multiple colleges and programs. These institutes will be managed centrally but deliver relevant credit and non-credit programs across each region targeted to fill critical labor market gaps. A single industry advisory board will be established for each sector representing the entire county and student offerings will include structured internships, apprenticeships, and other on-the-job and immersion experiences for students. Through these institutes, the District will establish partnerships that lead to meaningful changes to traditional curriculum and instructional practices and provide resources for community college faculty and staff to develop skills needed to design new curricula, teach integrated developmental, occupational and academic course work and better track student progress and employer needs.

Enterprise Performance

The focus of the strategic commitments at their core is students and much of the work in the previous areas rely heavily on the District's employees and systems it has in place. Therefore, the District is placing significant emphasis on becoming more efficient and effective through both its human resources and enterprise systems. One effort is to ensure we have a robust and comprehensive talent management system that ensures we retain and attract the best and the brightest employees. Another effort will be to ensure we eliminate any unnecessary redundancies in our processing of transactions. Yet another is to fully implement a budget approach that allocates funds to where funds are most needed to achieve the goals of the District.

Major Initiatives (continued)

Public University Partnerships

Maricopa is committed to supporting and enhancing transfer partnerships with Arizona State University (ASU), Northern Arizona University (NAU), and the University of Arizona (UA). These partnerships are intended to increase the number of students who complete associate and bachelor's degrees. Along with clear curriculum pathways, the transfer programs provide students with dedicated advising, scholarship opportunities, and support services. The Maricopa/ASU Alliance has grown steadily with over 200 university majors outlined through degree-to-degree pathways, which are tracked with a customized degree audit tool. The NAU Connection partnership offers Connect2NAU Joint Admission, and a variety of Bachelor's degree programs, online or on-site at the Maricopa Community Colleges. The UA Bridge program includes prescribed program pathways as well as local advisement and events for UA-bound transfer students.

Residential/Adjunct Faculty Ratio

The District has initiated a plan that calls for 60% of the instructional load at each college to be taught by residential faculty. By implementing the 60:40 ratio, the District will support student success and retention through increased workforce stability, enhanced learning environments, and improved student engagement. To achieve this goal, the District may add about 250-300 new residential faculty to the colleges with the exact number dependent on enrollment changes. The planned timeframe overall is 8 to 10 years.

Capital Development Program

After decades of directing most capital expenditures toward facility expansion through significant capital bond programs, the District continues to reinvest in existing facilities and address significant deferred maintenance needs. A districtwide deferred maintenance study was launched with a consultant in 2017 to identify current and future maintenance requirements. Upon completion of the analysis, comprehensive project lists were developed for college and district office facilities. Additionally, projects and estimated costs for the next 10 years were prioritized based on the following investment criteria: reliability, asset preservation, safety/code, and economic opportunity. With support from the Governing Board, the District launched a multi-year deferred maintenance program intended to address nearly 5,400 projects with an estimated 2019 repair/replacement value of $378 million.

As of FY 2022, 887 projects have been completed or initiated at a total cost of approximately $61.75 million. Efficiencies are sought whenever possible to maximize funding. For example, combining similar projects within a building, across multiple campuses or even district wide, may provide economies of scale, reduce mobilization costs, and reduce or eliminate multiple project rebuild/reinstall costs. To date, project management cost savings have offset the impact of inflation on actual expenses and this is anticipated to be the case through FY 2023; however, planning for projects starting in FY 2024 and beyond will include an inflation escalator to better capture the current and somewhat volatile market conditions.

In FY 2019, the District adopted a funding strategy for its capital needs, including the deferred maintenance program, which shifts a portion of the secondary property tax levy no longer needed for debt service to the primary levy to be used for capital needs. The shift in purpose of the levy allows the total property tax levy to continue to decline while providing the District an opportunity to forego the need to issue future taxpayer funded General Obligation bonds.

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Maricopa County Community College District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. This was the 31st consecutive year that the District has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal regulations.

A Certificate of Achievement is valid for a period of one year only. We believe that the current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgment

We wish to thank the members of the Governing Board for their guidance and support in planning and conducting the financial operations of the District in a highly responsible and progressive manner. The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Division of Business Services and the College Business Offices. Appreciation is expressed to the Arizona Auditor General for timely completion of the audit.

Respectfully submitted,

Kimberly Brainard Granio, CPA
Vice Chancellor, Business Services

Dawn D. Rector, CPA
Interim Associate Vice Chancellor, Business Services & Controller

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Maricopa County Community College District
Arizona

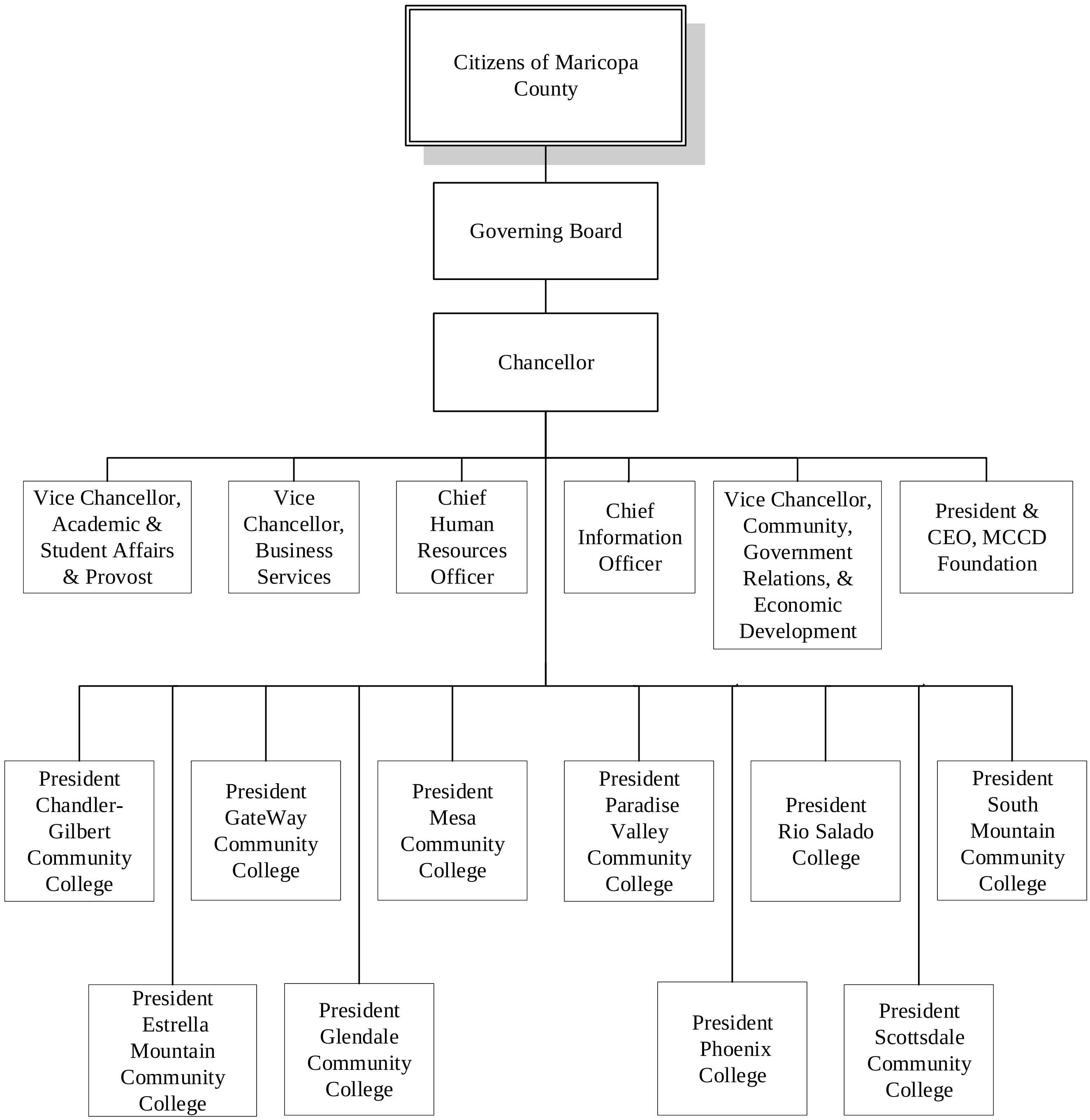
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

Maricopa County Community College District
Organizational Chart



Maricopa County Community College District

Principal Officers

Governing Board

Ms. Marie Sullivan, *President*
Dr. Tom Nerini, *Secretary*
Ms. Susan Bitter Smith
Ms. Jean McGrath
Ms. Jacqueline Smith
Dr. Linda Thor
Ms. Kathleen Winn
Mr. Quintin Evans, *Student Member*
Mr. Lynn Burnett, *Student Member (eff. 7/1/2022)*

Administration

Dr. Steven R. Gonzales, *Chancellor*
Ms. Bettina Cellis, *Interim Vice Chancellor, Academic & Student Affairs, & Provost*
Ms. Kimberly Granio, *Vice Chancellor, Business Services*
Dr. Georgetta Kelly, *Chief Human Resource Officer*
Dr. Mark Koan, *Chief Information Officer*
Ms. Darcy Renfro, *Vice Chancellor, Community, Government Relations,* & *Economic Development*
Mr. Brian Spicker, *President & CEO, MCCD Foundation*

College Presidents

Dr. Greg Peterson, *President, Chandler-Gilbert Community College*
Dr. Rey Rivera, *President, Estrella Mountain Community College*
Dr. Amy Diaz, *Interim President, GateWay Community College*
Dr. Ernie Lara, *Interim President, Glendale Community College*
Dr. Tammy Robinson, *President, Mesa Community College*
Dr. Tiffany Hunter, *President, Paradise Valley Community College*
Dr. Kimberly Britt, *President, Phoenix College*
Dr. Kate Smith, *President, Rio Salado College*
Dr. Eric Leshinskie, *President, Scottsdale Community College*
Dr. Richard Daniel, *President, South Mountain Community College (eff. 11/7/2022)*

Vision, Mission & Values

Vision

A Community of Colleges…Colleges for the Community

… working collectively and responsibly to meet the life-long learning needs of our diverse students and communities.

Mission

The Maricopa Community Colleges provide access to higher education for diverse students and communities.

We Focus On Learning Through:

- ▲▲ University Transfer Education
- ▲▲ General Education
- ▲▲ Developmental Education
- ▲▲ Community Education
- ▲▲ Workforce Development
- ▲▲ Student Development Services
- ▲▲ Continuing Education
- ▲▲ Civic Responsibility
- ▲▲ Global Engagement

As amended December 14, 2004 and December 13, 2005 by the Maricopa County Community College District Governing Board

Statement of Values

The Maricopa Community Colleges are committed to:

Community

We value all people – our students, our employees, their families, and the communities in which they live and work. We value our global community of which we are an integral part.

Excellence

We value excellence and encourage our internal and external communities to strive for their academic, professional and personal best.

Honesty and integrity

We value academic and personal honesty and integrity and believe these elements are essential in our learning environment. We strive to treat each other with respect, civility and fairness.

Inclusiveness

We value inclusiveness and respect for one another. We believe that team work is critical, that each team member is important and we depend on each other to accomplish our mission.

Innovation

We value and embrace an innovative and risk-taking approach so that we remain at the forefront of global educational excellence.

Learning

We value lifelong learning opportunities that respond to the needs of our communities and are accessible, affordable, and of the highest quality. We encourage dialogue and the freedom to have an open exchange of ideas for the common good.

Responsibility

We value responsibility and believe that we are each accountable for our personal and professional actions. We are responsible for making our learning experiences significant and meaningful.

Stewardship

We value stewardship and honor the trust placed in us by the community. We are accountable to our communities for the efficient and effective use of resources as we prepare our students for their role as productive world citizens.

As amended December 13, 2005 by the Maricopa County Community College District Governing Board

MARICOPA COMMUNITY COLLEGES

Financial Section

LINDSEY A. PERRY
AUDITOR GENERAL

ARIZONA
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

Independent auditors' report

Members of the Arizona State Legislature

The Governing Board of
Maricopa County Community College District

Report on the audit of the financial statements

Opinions

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of the Maricopa County Community College District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and discretely presented component unit of the District as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles.

We did not audit the financial statements of the discretely presented component unit. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based solely on the other auditors' report.

Basis for opinions

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the U.S. Comptroller General. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The other auditors did not audit the discretely presented component unit's financial statements in accordance with *Government Auditing Standards*.

Emphasis of matter

As discussed in Note 1 to the financial statements, for the year ended June 30, 2022, the District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Management's responsibilities for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the audit's planned scope and timing, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required supplementary information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 20 through 27, schedule of the District's proportionate share of the net pension liability on page 63, and schedule of District pension contributions on page 64 be presented to supplement the basic financial statements. Such information is management's responsibility and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. generally accepted auditing standards, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary information

Schedule of revenues, expenses, and changes in net position by college/center

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of revenues, expenses, and changes in net position by college/center is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is management's responsibility and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the accompanying schedule of revenues, expenses, and changes in net position by college/center is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance on the other information.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we will issue our report on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters at a future date. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Lindsey A. Perry

Lindsey A. Perry, CPA, CFE
Auditor General

January 30, 2023

Maricopa County Community College District
Management's Discussion and Analysis
For the Year Ended June 30, 2022

Our discussion and analysis introduces the basic financial statements and provides an overview of the District's financial activities for the year ended June 30, 2022. It should be read in conjunction with the transmittal letter, which precedes this section, and the financial statements, which immediately follow.

For the fiscal year ended June 30, 2022, the District implemented the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases* (GASB 87). This standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

Basic Financial Statements

The District's financial statements are presented in accordance with pronouncements issued by the Governmental Accounting Standards Board (GASB), the authoritative body for establishing generally accepted accounting principles (GAAP) for state and local governments, including public institutions of higher education. These pronouncements permit public colleges and universities to use the guidance for special-purpose governments, engaged only in business-type activities, in their separately issued financial statements. As such, the reader will observe that the presentation format is a consolidated, single-column, entity-wide format, similar to the type of financial statements one might encounter from a typical business enterprise or a not-for-profit organization. The basic financial statements consist of the following:

The *Statement of Net Position* reflects the financial position of the District as of June 30, 2022. It shows the assets owned or controlled, deferred outflows of resources, related liabilities and other obligations, deferred inflows of resources, and the categories of net position. Net position is an accounting concept defined as total assets and deferred outflows less total liabilities and deferred inflows. As such, it represents the residual of all other elements presented in the Statement of Net Position of the District.

The *Statement of Revenues, Expenses, and Changes in Net Position* reflects the results of operations and other changes for the year ended June 30, 2022. It shows revenues and expenses, both operating and non-operating, and reconciles the beginning net position amount to the ending net position amount, which is shown on the *Statement of Net Position* described above.

The *Statement of Cash Flows* reflects the inflows and outflows of cash and cash equivalents for the year ended June 30, 2022. It shows the cash activities by type and reconciles the beginning cash and cash equivalents amount to the ending cash and cash equivalents amount, which is shown on the *Statement of Net Position,* described above. In addition, this statement reconciles cash flows from operating activities to operating loss on the *Statement of Revenues, Expenses, and Changes in Net Position* described above.

Basic Financial Statements (continued)

Although the primary focus of this document is on the results and activity for fiscal year 2021-22 (FY 2022), comparative data is presented for the previous fiscal year, 2020-21 (FY 2021). This Management's Discussion and Analysis (MD&A) uses the prior fiscal year as a reference point in illustrating issues and trends for determining whether the institution's financial health may have improved or deteriorated.

Condensed Financial Information

Statement of Net Position

	As of June 30, 2022	*As of June 30, 2021*
Assets		
Current assets	$651,144,161	$621,900,993
Noncurrent assets, other than capital assets	60,313,775	110,553,618
Capital assets, net	701,054,815	704,129,450
Total assets	**1,412,512,751**	**1,436,584,061**
Deferred Outflows of Resources	**119,614,518**	**121,957,391**
Liabilities		
Other liabilities	64,617,006	95,203,939
Long-term liabilities	699,497,087	905,098,793
Total liabilities	**764,114,093**	**1,000,302,732**
Deferred Inflows of Resources	**145,189,736**	**9,349,055**
Net position		
Net investment in capital assets	493,843,582	442,940,181
Restricted net position	89,502,460	124,495,181
Unrestricted net position	39,477,398	(18,545,697)
Total net position	**$622,823,440**	**$548,889,665**

Condensed Financial Information (continued)

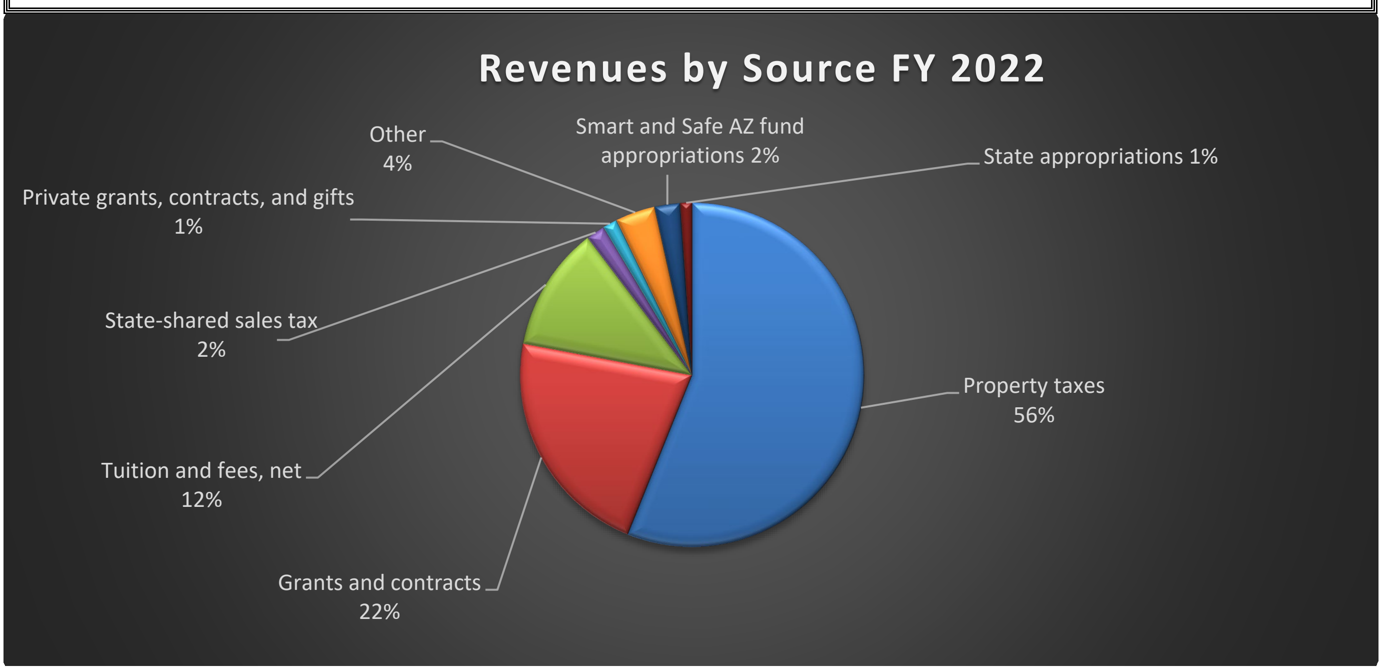
Statement of Revenues, Expenses, and Changes in Net Position

	For the Year Ended June 30, 2022	***For the Year Ended June 30, 2021***
Operating revenues	$166,952,016	$115,662,908
Operating expenses:		
Educational and general	913,624,731	843,766,706
Auxiliary enterprises	34,345,481	33,624,300
Depreciation/amortization	50,799,385	49,909,047
Total operating expenses	998,769,597	927,300,053
Operating loss	(831,817,581)	(811,637,145)
Non-operating revenues and expenses	905,670,251	858,110,355
Income before other revenues, expenses, gains, or losses	73,852,670	46,473,210
Other revenues, expenses, gains, or losses	81,105	102,304
Change in net position	73,933,775	46,575,514
Net position, beginning of year	548,889,665	502,314,151
Net position, end of year	**$622,823,440**	**$548,889,665**

Condensed Financial Information (continued)

The following schedule presents a summary and comparison of revenues for the fiscal years ended June 30, 2022, and June 30, 2021.

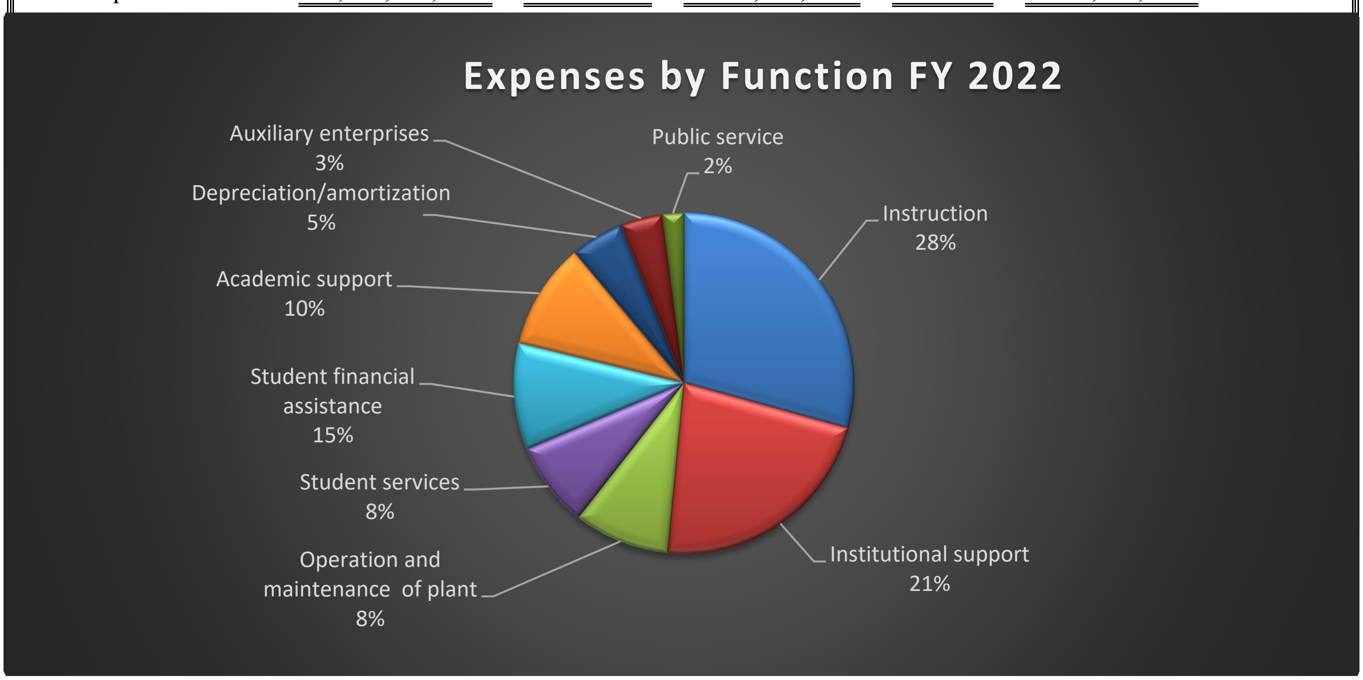
Revenues by Source	FY 2022		FY 2021		Increase/(Decrease)	
Operating revenues	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Tuition and fees, net of scholarship allowance	$126,320,841	12%	$108,817,973	11%	$ 17,502,868	16%
Other	40,631,175	4	6,844,935	1	33,786,240	494
Total operating revenues	166,952,016	16	115,662,908	12	51,289,108	44
Non-operating revenues						
Property taxes	606,252,756	56	595,672,492	61	10,580,264	2
State appropriations	12,000,000	1	1,600,000	0	10,400,000	650
Smart and Safe AZ fund appropriations	25,713,850	2	4,614,338	0	21,099,512	457
State-shared sales tax	18,986,810	2	16,663,248	2	2,323,562	14
Grants and contracts	239,136,598	22	230,448,888	23	8,687,710	4
Private grants, contracts, and gifts	11,423,030	1	15,440,263	2	(4,017,233)	(26)
Investment earnings, net of investment expense	(3,978,690)	0	512,113	0	(4,490,803)	(877)
Total non-operating revenues	909,534,354	84	864,951,342	88	44,583,012	5
Capital grants and gifts	81,105	0	102,304	0	(21,199)	(21)
Total revenues	$1,076,567,475	100%	$980,716,554	100%	$95,850,921	10%



Condensed Financial Information (continued)

The following schedule presents a summary and comparison of expenses for the fiscal years ended June 30, 2022, and June 30, 2021.

Expenses by Function	FY 2022		FY 2021		Increase/(Decrease)	
Operating expenses	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent of Change
Educational and general						
Instruction	$278,487,678	28%	$274,678,681	29%	$ 3,808,997	1%
Public service	17,891,629	2	18,689,369	2	(797,740)	(4)
Academic support	101,620,244	10	92,046,162	10	9,574,082	10
Student services	79,049,449	8	74,168,493	8	4,880,956	7
Institutional support	202,989,507	21	200,219,932	22	2,769,575	1
Operation and maintenance of plant	81,733,892	8	88,122,400	9	(6,388,508)	(7)
Student financial assistance	151,852,332	15	95,841,669	10	56,010,663	58
Auxiliary enterprises	34,345,481	3	33,624,300	4	721,181	2
Depreciation/ amortization	50,799,385	5	49,909,047	5	890,338	2
Total operating expenses	998,769,597	100	927,300,053	99	71,469,544	8
Non-operating expenses						
Interest expense on debt	3,685,064	0	6,422,663	1	(2,737,599)	(43)
Loss on sale or disposal of capital assets	179,039	0	418,324	0	(239,285)	(57)
Total non-operating expenses	3,864,103	0	6,840,987	1	(2,976,884)	(44)
Total expenses	$1,002,633,700	100%	$934,141,040	100%	$68,492,660	7%



Financial Highlights and Analysis

Statement of Net Position

The District's overall financial position grew in FY 2022 as the total net position for the District improved by approximately $73.9 million from FY 2021. Total net position is comprised of the following sub-categories: net investment in capital assets, restricted, and unrestricted. There were changes in these sub-categories reflecting both increases and decreases for the year with the sum resulting in an overall increase in net position. The increase of $50.9 million in net investment in capital assets results from a lower net book value for assets (see description of change in capital assets below) which is offset by a larger decrease in related bonds payable due to debt service payments. Restricted net position decreased by $35.0 million due to an increase of $2.5 million in grants and contracts, a $16.3 million decrease in debt service and a decrease of $21.3 million in capital projects completed in FY 2022. The increase in grants and contracts is due to an increase in federal direct grant revenue. Unrestricted net position increased by $58.0 million in FY 2022, primarily due to decreases in its pension liability.

Total assets decreased by $24.1 million. Current assets increased $29.2 million, primarily due to the movement of cash and investments held to fund bond program expenses to non-bond program investment accounts following the completion of bond projects. The increase in current assets was offset by a decrease of $3.1 million in total capital assets, net, as depreciation and amortization expense has outpaced capital additions since the end of the bond program in early FY 2020. Noncurrent assets decreased by $50.2 million, primarily due to a decrease of $17.3 million in cash and cash equivalents, and a decrease of $33.4 million in investments expended on bond projects, as noted above.

Deferred outflows and inflows of resources are predominantly comprised of activity relating to pensions. Deferred outflows and inflows of resources are changes in the net pension liability that will be recognized as pension expense in future years and contributions after the measurement date that will reduce the net pension liability in future years. Variances in these lines from year to year will arise from changes in performance of investments, contribution changes to ASRS plans, composition of employer participants, recognition of prior year deferrals, etc. within a given year. In FY 2022, deferred outflows of resources related to pensions decreased by $1.2 million, while deferred inflows of resources related to pensions increased by $134.4 million, offset by the $144.7 million decrease in net pension liability.

The most significant components of long-term liabilities for the District are bonds payable and net pension liability. The decrease in long-term liabilities of $205.6 million from FY 2021 to FY 2022 is primarily due to a combination of the following: the payment of debt service and amortization of bond premiums ($70.5 million), no issuance of any new debt, and a decrease in the net pension liability ($144.7 million) for FY 2022.

Statement of Revenues, Expenses, and Changes in Net Position

While the District has three major revenue sources in property taxes; grants and contracts; and tuition and fees, total revenue for the District increased by $95.8 million (10%) as a result of increases and decrease in these and various other categories. Total operating revenues increased by $51.3 million. While the District's enrollment continued to be lower than pre-pandemic levels, tuition and fees reflect a $17.5 million increase as a result of a decrease in scholarship discounts and allowances of $14.8 million, reflecting fewer financial aid students. In addition, gross tuition and fees increased by approximately $3 million as a result of a discount for out-of-state students offered in FY 2021 that was not offered in FY 2022. Other operating revenues increased by $33.8 million, because the District's self-insurance health program, net of contributions, for employees was recorded in this line item in FY 2022.

Total Nonoperating revenues increased by $44.6 million. Property tax revenue rose by $10.6 million due to a 3% increase in the primary property tax levy from new construction and for capital program funding. State science, technology, engineering, and mathematics (STEM) and workforce development program funds that are recorded as state appropriations increased by $10.4 million. New revenue from the Smart and Safe Arizona Fund appropriations (see *Current Factors Having Probable Future Financial Significance*) increased by $21.1 million following the initial year of this program in FY 2021. Investment earnings, net of investment expense continued to decline as a result of worsening market conditions.

An overall increase of $68.5 million was noted for expenses from the prior year. FY 2022 marks the second year of the District's multi-year strategic compensation plan and, while salaries for current employees increased by $9.1 million, the increase in overall personnel expenses were less than expected because of increased staff turnover and vacancies. This increase affected the majority of the District's financial statement line items except for student financial assistance and depreciation/amortization expense. The District's student financial assistance expenses increased by $56 million over the prior fiscal year because there were $68.5 million in additional student awards funded by the Federal Higher Education Emergency Relief Funds (HEERF) program and $16 million less in Federal Pell grants.

Capital Assets and Debt Administration

The District's capital assets as of June 30, 2022, totaled $701.1 million (net of accumulated depreciation and amortization). Capital assets include land, construction in progress, buildings, equipment, intangibles, improvements other than buildings, and library books. The District's total capital assets decreased as depreciation/amortization outpaced capital spending with the 2004 GO Bond program closing out in early FY 2020. The District has $18.4 million in construction in progress with an estimated $53,853 cost to complete. Additional information on capital assets can be found in Notes to Financial Statements – Note 4.

The District has issued nearly 100% of the $951.4 million in GO bonds that were approved by voters in November 2004 and all remaining proceeds were expended early in FY 2020. Information on all of the District's bond issues is presented in greater detail in Notes to Financial Statements – Note 5.

Current Factors Having Probable Future Financial Significance

At the onset of the COVID-19 pandemic, the District moved nearly all of its operations and courses to a remote environment by the end of March 2020. Over the course of FY 2021 and FY2022, the District continues to strive for approximately 50% of its courses in person with the other 50% virtual. The District has increased its on-campus presence; however, a hybrid approach for both instruction and operations has created a new normal. The District continued to offer many courses in two 8-week sessions versus the traditional 15- or 16-week courses. Federal HEERF funds have been used to bolster the District's ability to provide more effective virtual learning and student support, including on-line tutoring and advising, as well as significant direct financial support to students. Federal HEERF funding has also been used to re-engage students that have not continued their education, most likely due to the pandemic.

In the November 2020 General Election, the majority of voters in Arizona voted in favor of the *Smart and Safe Arizona Act*, or Proposition 207, allowing the legalization of cannabis for recreational use and taxing such sales at 16%. A portion of the revenue generated from this tax is dedicated to community college districts in Arizona for the purpose of investing in and providing workforce development programs, job training, career and technical education, and STEM programs. The District saw an increase of $21.1 million in additional revenues in FY 2022 and anticipates annual revenues of approximately $25 million per year.

Finally, during the 2021 legislative session, the Arizona State Legislature passed a bill, which was signed by the Governor, granting community college districts the authority to offer four-year baccalaureate degrees. The legislation includes various restrictions on the offerings as well as pricing that is available to community college districts.

During FY 2022, the District began the significant effort required to effectively and strategically position itself to offer such degrees beginning in Fall 2023. The District's Governing Board approved a slate of baccalaureate degrees to be offered in Fall 2023 and seven degree programs were approved by the Higher Learning Commission (HLC) in Fall 2022. The next step is to submit these baccalaureate degrees to the US Department of Education to seek approval to offer Federal financial aid for these new programs. Marketing and outreach efforts are underway to let our community know of this new opportunity available to further one's education.

Requests for Information

This discussion and analysis is designed to provide a general overview of the Maricopa County Community College District's finances for all those with an interest in such matters. Questions concerning any of the information provided in this Annual Comprehensive Financial Report or requests for additional financial information should be addressed to the Office of Financial Services and Controller; The Maricopa Community Colleges; 2411 W. 14th Street; Tempe, AZ 85281.

Maricopa County Community College District
Statement of Net Position – Primary Government
June 30, 2022

	Business-Type Activities
Assets	
Current assets:	
Cash and cash equivalents	$ 249,517,716
Investments	274,904,145
Receivables (net of allowance of $53,862,815)	123,732,155
Other	2,990,145
Total current assets	651,144,161
Noncurrent assets:	
Receivables (net of allowance of $7,791)	48,122
Other	3,537,835
Restricted assets:	
Cash and cash equivalents	54,951,399
Receivables (net of allowance of $377,383)	1,714,785
Other	61,634
Capital assets, not being depreciated/amortized	92,851,433
Capital assets, being depreciated/amortized, net	608,203,382
Total noncurrent assets	761,368,590
Total assets	1,412,512,751
Deferred Outflows of Resources	
Deferred charges on refunded bonds	3,319,597
Deferred outflows related to pensions	116,294,921
Total deferred outflows of resources	119,614,518
Liabilities	
Current liabilities:	
Accounts payable	14,189,942
Accrued liabilities	43,957,087
Interest payable	3,815,468
Unearned revenues	2,654,509
Long-term liabilities - current portion	59,530,047
Total current liabilities	124,147,053
Noncurrent liabilities:	
Long-term liabilities	155,267,298
Net pension liability	452,179,424
Compensated absences	32,520,318
Total noncurrent liabilities	639,967,040
Total liabilities	764,114,093
Deferred Inflows of Resources	
Deferred inflows related to pensions	143,681,677
Deferred inflows related to leases	1,401,215
Deferred grant receipts	106,844
Total deferred inflows of resources	145,189,736
Net Position	
Net investment in capital assets	493,843,582
Restricted:	
Nonexpendable:	
Endowments	228,305
Student loans	105,311
Expendable:	
Scholarships	1,164,289
Grants and contracts	38,928,582
Student loans	11,125
Debt service	49,064,848
Unrestricted	39,477,398
Total net position	$ 622,823,440

See accompanying notes to financial statements.

Maricopa County Community College District
Statement of Financial Position – Component Unit
June 30, 2022

	Maricopa County Community College District Foundation
Assets	
Cash and cash equivalents	$ 3,480,963
Pledges receivable, net of discount and allowance	598,857
Investments	53,392,260
Cash surrender value of life insurance	223,542
Scholarships paid in advance	11,140
Other assets	19,562
Total assets	$ 57,726,324
Liabilities and Net Assets	
Accounts and scholarships payable	$ 654,073
Charitable gift annuity liability	230,587
Deferred revenue	283,812
Total liabilities	1,168,472
Net assets:	
Without donor restrictions	1,850,782
With donor restrictions	54,707,070
Total net assets	56,557,852
Total liabilities and net assets	$ 57,726,324

See accompanying notes to financial statements.

Maricopa County Community College District
Statement of Revenues, Expenses, and Changes in Net Position – Primary Government
For the Fiscal Year Ended June 30, 2022

	Business-Type Activities
Operating revenues:	
Tuition and fees (net of scholarship allowance of $53,881,353)	$ 126,320,841
Other	40,631,175
Total operating revenues	166,952,016
Operating expenses:	
Educational and general:	
Instruction	278,487,678
Public service	17,891,629
Academic support	101,620,244
Student services	79,049,449
Institutional support	202,989,507
Operation and maintenance of plant	81,733,892
Student financial assistance	151,852,332
Auxiliary enterprises	34,345,481
Depreciation and amortization	50,799,385
Total operating expenses	998,769,597
Operating loss	(831,817,581)
Nonoperating revenues (expenses):	
Property taxes	606,252,756
State appropriations	12,000,000
Smart and Safe AZ fund appropriations	25,713,850
State-shared sales tax	18,986,810
Government grants and contracts	239,136,598
Private grants, contracts, and gifts	11,423,030
Investment earnings, net of investment expense	(3,978,690)
Interest expense on debt	(3,685,064)
Loss on sale/disposal of capital assets	(179,039)
Total nonoperating revenues	905,670,251
Income before other revenues, expenses, gains, or losses	73,852,670
Capital grants and gifts	81,105
Change in net position	73,933,775
Net position July 1, 2021	548,889,665
Net position June 30, 2022	$ 622,823,440

See accompanying notes to financial statements.

Maricopa County Community College District
Statement of Activities and Change in Net Assets – Component Unit
For the Year Ended June 30, 2022

	Maricopa County Community College District Foundation		
	Without donor restrictions	With donor restrictions	Total
Support and revenue:			
Contributions of financial assets	$ -	$ 12,851,501	$ 12,851,501
Contributed space and services	1,577,621	-	1,577,621
Investment loss	(1,648,207)	(3,485,228)	(5,133,435)
Change in cash surrender value of life insurance	-	(20,308)	(20,308)
Total support and revenue before net assets released from restrictions	(70,586)	9,345,965	9,275,379
Net assets released from restrictions	6,326,969	(6,326,969)	-
Total support and revenue	6,256,383	3,018,996	9,275,379
Expenses:			
Program support	2,725,720	-	2,725,720
Scholarship expenses	2,949,860	-	2,949,860
Salaries, wages, and benefits	1,422,657	-	1,422,657
Office space	154,964	-	154,964
Professional services	324,981	-	324,981
Office expenses	64,295	-	64,295
Information technology	183,856	-	183,856
Community engagement	39,476	-	39,476
Other expenses	18,936	-	18,936
Total expenses	7,884,745	-	7,884,745
Change in net assets	(1,628,362)	3,018,996	1,390,634
Net assets, beginning of year	3,479,144	51,688,074	55,167,218
Net assets, end of year	$ 1,850,782	$ 54,707,070	$ 56,557,852

See accompanying notes to financial statements.

Maricopa County Community College District
Statement of Cash Flows – Primary Government
For the Year Ended June 30, 2022

	Business-Type Activities
CASH FLOWS FROM OPERATING ACTIVITIES	
Tuition and fees	$ 126,140,118
Payments for employee wages and benefits	(640,944,975)
Payments to providers of goods and services	(189,818,435)
Payments to students for grants and scholarships	(161,493,589)
Other custodial receipts	2,324,456
Other custodial disbursements	(2,359,432)
Other receipts	37,550,328
Net cash used for operating activities	(828,601,529)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Property taxes	605,934,246
State appropriations	12,000,000
Smart and Safe AZ fund appropriations	25,713,850
State-shared sales tax	18,986,810
Grants and contracts	269,224,482
Federal student loans received	29,183,547
Federal student loans disbursed	(29,183,547)
Gifts received for other than operating or capital purposes	14,698,089
Net cash provided by noncapital financing activities	946,557,477
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Proceeds from sale of capital assets	29,221
Purchase of capital assets	(35,798,096)
Principal paid on capital debt	(66,550,114)
Interest paid on capital debt	(9,135,621)
Net cash used for capital and related financing activities	(111,454,610)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from the sales and maturities of investments	6,542,526
Interest received on investments	3,952,289
Net cash provided by investing activities	10,494,815
Net increase in cash and cash equivalents	16,996,153
Cash and cash equivalents - beginning of year	287,472,962
Cash and cash equivalents - end of year	$ 304,469,115

(continued)

See accompanying notes to financial statements.

Statement of Cash Flows (continued)

Reconciliation of operating loss to net cash used for operating activities:

Operating loss	$	(831,817,581)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation and amortization		50,799,385
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
Net pension liability		(144,731,320)
Deferred outflows of resources related to pensions		1,236,340
Deferred inflows of resources related to pensions		134,431,553
Receivables		(8,597,788)
Other assets		(316,701)
Student loans receivable		3,164
Accounts payable		1,118,207
Accrued liabilities		(29,408,305)
Unearned revenue		(180,723)
Compensated absences		(1,137,760)
Net cash used for operating activities	$	(828,601,529)

Noncash transactions:

Decrease in fair value of investments. The fair value of investments decreased by $7,633,516.

Loss on sale of capital assets. The District incurred a loss of $179,039 on the sale or disposal of capital assets.

Gifts of depreciable and non-depreciable assets. The District recorded the receipt of gifts of depreciable and non-depreciable assets of $81,105.

Amortization of premium on bonds and deferred charges. The District amortized $5,142,994 of bond premiums and $1,106,532 of deferred charges.

See accompanying notes to financial statements.

NOTE 1 - Summary of Significant Accounting Policies

The accounting policies of the Maricopa County Community College District (the District) conform to generally accepted accounting principles applicable to public institutions engaged only in business-type activities adopted by the Governmental Accounting Standards Board (GASB).

For the year ended June 30, 2022, the District implemented the provisions of GASB Statement No. 87, *Leases*, as amended, which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The primary objective of this statement is to enhance the relevance and consistency of information about the District's leasing activities. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. As a result, the District's financial statements have been modified to reflect the recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows or outflows of resources based on the contract payment provisions. For additional information, refer to the Lease section below in this note as well as Note 5.

Reporting Entity - The District is a special-purpose government that is governed by a separately elected governing body (the Board). It is legally separate and fiscally independent of other state and local governments. The District is not included in any other governmental reporting entity. The accompanying financial statements present the activities of the District (the primary government) and its discretely presented component unit, the Maricopa County Community College District Foundation (the Foundation).

The Foundation is a legally separate, tax-exempt organization. It acts primarily as a fund-raising organization that receives gifts and bequests, administers those resources, and disburses payments to or on behalf of the District for scholarships and programs. Although the District does not control the timing or amount of receipts from the Foundation, the Foundation's restricted resources can only be used by, or for the benefit of the District or its constituents. Consequently, the Foundation is considered a component unit of the District and is discretely presented in the District's financial statements.

For financial reporting purposes, the Foundation follows Financial Accounting Standards Board (FASB) statements for not-for-profit organizations. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's financial information included in the District's financial report. Accordingly, those financial statements have been reported on separate pages following the respective counterpart financial statements of the District. For financial reporting purposes, only the Foundation's statements of financial position and activities, as well as relevant notes to the financial statements, are included in the District's financial statements as required by generally accepted accounting principles for public colleges and universities. The Foundation has a June 30 year-end.

During the year ended June 30, 2022, the Foundation distributed $5,675,580 to the District for both restricted and unrestricted purposes. Complete financial statements for the Foundation can be obtained from the Foundation Office at 2419 W. 14th Street, Tempe, AZ 85281.

Basis of Presentation and Accounting - The financial statements include a Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Net Position; and a Statement of Cash Flows.

The Statement of Net Position provides information about the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position at the end of the year. Assets and liabilities are classified as either current or noncurrent. Net position is classified according to external donor restrictions or availability of assets to satisfy the District's obligations. Net investment in capital assets represents the value of capital assets, net of accumulated depreciation, less any outstanding liabilities incurred to acquire or construct the assets. Nonexpendable restricted net position includes gifts that have been received for endowment purposes and federal contributions for the Federal Perkins Loan Program, the corpus of which cannot be expended. Expendable restricted net position represents grants, contracts, gifts, and other resources that have been externally restricted for specific purposes. Unrestricted net position consists of all other resources, including those that have been designated by management to be used for other than general operating purposes.

The Statement of Revenues, Expenses, and Changes in Net Position provides information about the District's financial activities during the year. Revenues and expenses are classified as either operating or nonoperating, and all changes in net position are reported, including capital contributions and additions to endowments. Operating revenues and expenses generally result from exchange transactions. Accordingly, revenues, such as tuition and sales of auxiliary services, are considered to be operating revenues. Other revenues, such as property taxes and educational grants, are not generated from exchange transactions and are considered to be nonoperating revenues. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. Other expenses, such as interest expense on debt, are considered to be nonoperating expenses. When both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first. Internal transactions and activities, such as transfers between funds, revenues and expenses recorded for internal service activities, and certain internal revenues and expenses recorded for grant activity, have been eliminated for financial statement purposes.

The Statement of Cash Flows provides information about the District's sources and uses of cash and cash equivalents during the year. Increases and decreases in cash and cash equivalents are classified as either operating, noncapital financing, capital and related financing, or investing.

NOTE 1 - Summary of Significant Accounting Policies (continued)

The financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenue in the year for which they are levied. Grants and donations are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Cash and Cash Equivalents - For the Statement of Cash Flows, cash and cash equivalents include cash on hand, cash in the bank, cash and investments held by the County Treasurer, investments in the State Treasurer's Local Government Investment Pool 7, and some investments purchased on behalf of the District by its investment manager. Cash equivalents are defined as investments with maturities of three months or less from the date of acquisition by the District.

Investments - Investments are reported at fair value at fiscal year-end.

Capital Assets - Capital assets of the District consist of land, buildings, improvements other than buildings, equipment, intangibles, and library books. Capital assets are stated at cost at date of acquisition, or acquisition value at date of donation in the case of gifts. Major outlays for assets or improvements to assets are capitalized as projects are constructed. These are categorized as construction in progress until completed, at which time they are reclassified to the appropriate asset type. Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts), depreciation/amortization methods, and estimated useful lives of capital assets reported in the financial statements are as follows:

Asset Category	Capitalization Threshold	Depreciation/ Amortization Method	Estimated Useful Life
Land	All	Not applicable	Not applicable
Buildings	$100,000	Straight-line	40 years
Improvements other than buildings	$5,000	Straight-line	20 years
Equipment	$5,000	Straight-line	4-10 years
Intangibles (software)	$5,000	Straight-line	4-10 years
Library books	All	Straight-line	10 years
Intangible right-to-use lease assets:			
Land	$100,000	Straight-line	Lease term *
Land improvements	$100,000	Straight-line	Lease term *
Buildings	$100,000	Straight-line	Lease term *
Equipment	$5,000	Straight-line	Lease term *

* Intangible right-to-use lease assets are amortized over the shorter of the lease term or the useful life of the underlying asset.

NOTE 1 - Summary of Significant Accounting Policies (continued)

Compensated Absences - Compensated absences consists of vacation and sick leave earned by employees based on services already rendered. Employees may accumulate vacation balances depending on the years of service, but any vacation hours in excess of the maximum amount that are unused at calendar year-end are forfeited. Sick leave benefits provide for ordinary sick pay and are cumulative. Sick leave balances are paid to a maximum amount at retirement or death for employees having at least 10 years of service. Accordingly, these benefits are accrued as a liability in the financial statements.

Scholarship Allowances - Scholarship allowances represent the difference between the stated charge for goods and services provided by the District and the amount that is paid by the student or third parties making payments on behalf of the student. Accordingly, some types of student financial aid such as Pell grants and scholarships awarded by the District, are considered to be scholarship allowances. These allowances are netted against tuition and fees revenues in addition to student financial assistance and auxiliary enterprises expenses in the Statement of Revenues, Expenses, and Changes in Net Position.

Investment Earnings - Investment earnings are composed of interest, dividends, and net changes in the fair value of applicable investments.

Pensions - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Leases – As the lessee, the District leases real estate and equipment and determines the classification of the lease at commencement of the contract. Leases that have a maximum possible term of 12 months or less are expensed based on the provisions of the contract. For all leases in excess of 12 months and that do not have mutual termination provisions, do not transfer the asset to the District at the term of the lease, and are an exchange or exchange-like transaction, the District recognizes an intangible right-to-use lease asset and a corresponding lease liability. The lease liability is measured at commencement of the lease based on the present value of the payments expected to be made. The intangible right-to-use lease asset is initially measured as the lease liability, plus payments made before lease commencement, plus direct costs incurred to place the asset into service, less any incentives received prior to commencement.

Key estimates and judgements include the determination of the discount rate to calculate the present value of lease payments, the lease term, and the lease payments. The District utilizes the rate implicit in the lease when it is readily determinable, otherwise the District has used professional judgement to determine the best estimate, generally derived from the incremental borrowing rate based on the District's most recent debt issuance.

NOTE 1 - Summary of Significant Accounting Policies (continued)

The District's threshold for lease accounting, as both lessee and lessor, is for all leases where the present value of minimum lease payments is $5,000 or more for equipment and $100,000 or more for real estate.

For leases where the District is the lessor, the lease receivable is initially recorded as the present value of the future payments using the stated rate or if not readily determined, then at our incremental borrowing rate based on the District's most recent debt issuance. Over the lease term, the District recognizes revenue from interest income and the amortization of the deferred inflows of resources on a straight-line basis.

NOTE 2 - Deposits and Investments

Arizona Revised Statutes (A.R.S.) requires certain public monies to be collected by and deposited with the Maricopa County Treasurer. Such monies are the special tax levy for the District's maintenance and operation and secondary levy collections for the District's principal and interest payments on general obligation bonded indebtedness.

The statutes do not require the District to deposit other public monies with the County Treasurer; however, the District must act as a prudent person dealing with the property of another by following the statutory guidelines for investment decisions. The District invests in U.S. government securities, the State Treasurer's Local Government Investment Pools, corporate bonds, insured or collateralized deposits, and certificates of deposit. Equity mutual funds held by the District are the result of donations by third parties. The A.R.S requires collateral for deposits at 102 percent of all deposits not covered by federal depository insurance. The statutes do not include any requirements for credit risk, interest rate risk, concentration of credit risk, or foreign currency risk for the District's investments.

Deposits

At June 30, 2022, total cash on hand was $177,500. The carrying amount of bank deposits on the District's accounting system was $41,840,069. At June 30, 2022, the District's bank balance was $43,193,320. The District does not have a formal policy with respect to custodial credit risk.

Investments

The District had total investments of $537,355,692 at June 30, 2022. The District's investments at June 30, 2022, categorized within the fair value hierarchy established by generally accepted accounting principles, were as follows:

NOTE 2 - Deposits and Investments (continued)

Investments by fair value level	Amount	Fair value measurement using Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)
U.S. agency securities	$77,654,462	$ -	$77,654,462
U.S. Treasury securities	184,102,063	184,102,063	-
Commercial paper	6,739,943	-	6,739,943
Corporate bonds	6,234,316	-	6,234,316
Mutual funds – equity	173,362	-	173,362
Total investments categorized by fair value level	$274,904,146	$184,102,063	$90,802,083

Investments categorized as Level 1 of the fair value hierarchy are valued using unadjusted prices quoted for identical assets in active, exchange and brokered markets for those securities. Investments categorized as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The nature of these securities include investments for which quoted prices are available but traded less frequently and investments that are fair valued using other securities, the parameters on which can be directly observed.

The District also had the following investments in external investment pools measured at fair value:

	Amount
State Treasurer's investment pool 7	$245,047,495
State Treasurer's investment pool 700	109,599
County Treasurer's investment pools	7,083,720
Total external investment pools measured at fair value	$252,240,814

The District also had the following investments measured at amortized cost, Money Market Fund FI with a balance of $10,210,732.

Investments in the State Treasurer's investment pools are valued at the pool's share price multiplied by the number of shares the District held. The fair value of a participant's position in the pools approximates the value of that participant's pool shares. The investments in the County Treasurer's pools are valued using the District's proportionate participation in the pools because the pools' structure does not provide for shares.

The State Board of Investment provides oversight for the State Treasurer's pools. No comparable oversight is provided for the Maricopa County Treasurer's investment pools.

NOTE 2 - **Deposits and Investments** (continued)

Credit Risk - The District does not have a formal policy with respect to credit risk. At June 30, 2022, credit risk for the District's investments was as follows:

Investment Type	Rating	Rating Agency	Amount
State Treasurer's investment pool 7	Unrated	Not applicable	$245,047,495
State Treasurer's investment pool 700	Unrated	Not applicable	109,599
County Treasurer's investment pools	Unrated	Not applicable	7,083,720
U.S. agency securities	Aaa	Moody's	77,654,462
Commercial paper	P-1	Moody's	6,739,943
Corporate bonds	A1	Moody's	2,060,549
Corporate bonds	Aa2	Moody's	4,173,767
Money Market Fund FI	Aaa	Moody's	10,210,732
Total			$353,080,267

Concentration of Credit Risk - The District does not have a formal policy with respect to concentration of credit risk. The District had investments at June 30, 2022, of 5 percent or more in Federal Home Loan Mortgage Corporation. These investments were 6.97 percent of the District's total investments.

Interest Rate Risk - The District's policy states maturities shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. At June 30, 2022, the District had the following investments in debt securities:

Investment Type	Amount	Weighted Average Maturity (Months)
State Treasurer's investment pool 7	$245,047,495	0.93
State Treasurer's investment pool 700	109,599	34.93
County Treasurer's investment pools	7,083,720	20.77
Money Market Fund FI	10,210,732	0.00
U.S. agency securities	77,654,462	12.42
U.S. Treasury securities	184,102,063	14.37
Commercial paper	6,739,943	0.99
Corporate bonds	6,234,316	6.81
Total	$537,182,330	

The District's portfolio weighted average maturity is 7.52 months.

NOTE 2 - Deposits and Investments (continued)

A reconciliation of cash, deposits, and investments to amounts shown on the Statement of Net Position follows:

Cash, deposits and investments:		Statement of Net Position:	
Cash on hand	$ 177,500	Cash and cash equivalents	$249,517,717
Deposits	41,840,069	Investments	274,904,145
Investments	537,355,692	Restricted assets:	
		Cash and cash equivalents	54,951,399
Total	$579,373,261	Total	$579,373,261

NOTE 3 - Current Receivables

A schedule of the District's current receivables by type, shown net of related allowances, follows:

Property taxes (net of allowance of $2,750,146)	$ 6,874,244
Government grants	89,741,143
Private grants, contracts, and gifts (net of allowance of $233,069)	3,854,250
Student accounts (net of allowance of $50,755,753)	22,004,266
Lease receivable	289,978
Other (net of allowance of $123,847)	968,274
Total current receivables	$ 123,732,155

Property Taxes - The Maricopa County Treasurer is responsible for the collection of property taxes for all governmental entities within the County. The property taxes due the District are levied in August by the County and are payable in two equal installments. The first installment is due on October first and becomes delinquent after the first business day of November. The second installment is due on March first of the following year and becomes delinquent after the first business day in May. A lien assessed against real and personal property attaches on the first day of January preceding assessment and levy. Property taxes receivable consist of uncollected property taxes as determined from the records of the Maricopa County Treasurer's Office.

NOTE 4 - Capital Assets

The following is a summary of changes in capital assets during the fiscal year:

	Balance July 1, 2021 (as restated)	Increases	Decreases	Balance June 30, 2022
Capital assets not being depreciated/amortized:				
Land	$ 74,475,007	$ -	$ -	$ 74,475,007
Construction in progress	8,504,647	24,796,387	14,924,608	18,376,426
Total capital assets not being depreciated/amortized	82,979,654	24,796,387	14,924,608	92,851,433
Capital assets being depreciated/amortized:				
Buildings	1,059,029,423	15,006,454	-	1,074,035,877
Equipment	157,738,542	8,533,598	9,322,764	156,949,376
Intangibles – right-to-use leases land	1,235,129	-	-	1,235,129
Intangibles – right-to-use leased buildings	10,818,679	-	-	10,818,679
Intangibles – software	65,816,936	-	-	65,816,936
Improvements other than buildings	159,453,515	1,752,737	-	161,206,252
Library books	9,235,174	547,207	762,104	9,020,277
Total capital assets being depreciated/amortized	1,463,327,398	25,839,996	10,084,868	1,479,082,526
Less accumulated depreciation/amortization for:				
Buildings	534,323,272	31,361,576	-	565,684,848
Equipment	142,801,553	6,935,165	9,405,217	140,331,501
Intangibles – right-to-use leased land	-	45,591	-	45,591
Intangibles – right-to-use leased buildings	-	1,384,638	-	1,384,638
Intangibles – software	40,180,033	4,269,999	-	44,450,032
Improvements other than buildings	106,730,357	6,149,541	-	112,879,898
Library books	6,088,579	652,875	638,818	6,102,636
Total accumulated depreciation/amortization	830,123,794	50,799,385	10,044,035	870,879,144
Total capital assets being depreciated/amortized, net	633,203,604	(24,959,389)	40,833	608,203,382
Capital assets, net	$ 716,183,258	$ (163,002)	$ 14,965,441	$ 701,054,815

Due to the implementation of GASB Statement No. 87, *Leases*, the District's beginning leased asset balances were restated from fiscal year 2021. There was no impact to net position.

The District has active construction projects with a remaining contractual commitment at June 30, 2022, of $53,853.

NOTE 4 – Capital Assets (continued)

The total amount of lease assets and the related accumulated amortization are as follows:

Total intangible right-to-use lease assets	$ 12,053,808
Less accumulated amortization	1,430,229
Carrying value	$ 10,623,579

NOTE 5 - Long-term Liabilities

The following schedule details the long-term liability activity for the year ended June 30, 2022.

	Balance July 1, 2021 As restated	Additions	Reductions	Balance June 30, 2022	Due within one year
Bonds payable:					
General obligation bonds	$ 250,065,000	$ -	$ 65,350,000	$ 184,715,000	$ 49,130,000
Premium on general obligation bonds	20,062,595	-	5,142,994	14,919,601	4,675,826
Total bonds payable	270,127,595	-	70,492,994	199,634,601	53,805,826
Leases payable	12,053,808	-	1,293,439	10,760,369	1,321,846
Net pension liability	596,910,744	-	144,731,320	452,179,424	-
Compensated absences	38,060,454	6,093,983	7,231,744	36,922,693	4,402,375
Total long-term liabilities	$ 917,152,601	$ 6,093,983	$ 223,749,497	$ 699,497,087	$ 59,530,047

Due to the implementation of GASB Statement No. 87, *Leases*, the District's beginning leases payable balance was restated from fiscal year 2021. There was no impact to net position.

Legal Debt Margin

The Arizona Constitution, Article 9, Section 8, states that a county or school district may become indebted for an amount not to exceed fifteen percent of taxable property. For fiscal year 2021-22, the District could issue an additional $7.2 billion of debt and remain within the legal debt margin. See Statistical Section – Computation of Legal Debt Margin for details.

Bonds Payable

The District's bonded debt consists of various issues of general obligation bonds. Bond proceeds primarily pay for improving, acquiring or constructing capital assets. Bonds have also been issued to advance refund previously issued bonds. Of the total general obligation bonds originally authorized in 2004 ($951,359,000), $3,000 of authorization remains unissued. The District repays general obligation bonds from voter-approved property taxes; however, the District has no current liability for arbitrage. Federal arbitrage regulations are applicable to all of the District's bond issues. Interest payments are due on a semi-annual basis. Bonds outstanding at June 30, 2022, were as follows:

NOTE 5 - Long-term Liabilities (continued)

Description	Amount Issued	Maturity Ranges	Interest Rates	Outstanding Principal
General obligation bonds				
Project of 2004, Series D (2011)	150,000,000	7/01/2022	3.00-4.00%	19,030,000
Series 2013	151,090,000	7/01/2022-27	3.00-3.50%	75,395,000
Refunding Series B, C, D (2016)	191,260,000	7/01/2022-25	5.00%	90,290,000
			Total	$184,715,000

The following schedule details debt service requirements to maturity for the District's bonds payable at June 30, 2022.

Year Ending June 30:	General Obligation Bonds Principal	General Obligation Bonds Interest	Total Debt Service Requirements
2023	$ 49,130,000	$ 6,624,275	$ 55,754,275
2024	48,265,000	4,550,950	52,815,950
2025	29,705,000	2,845,200	32,550,200
2026	30,940,000	1,579,875	32,519,875
2027	13,110,000	704,200	13,814,200
2028	13,565,000	237,388	13,802,388
Total	$ 184,715,000	$ 16,541,888	$ 201,256,888

Description of Issues

General Obligation Refunding Bonds, Project of 2004, Series B, C, D (2016)

In August 2016, the District issued $191,260,000 of general obligation refunding bonds to refund $73,810,000 G.O. Bonds, Series B (2007); $80,190,000, Series C (2009); and $62,055,000, Series D (2011). The net proceeds were placed in the Depository Trust Fund to be used to refund the bonds being refunded. The General Obligation Refunding Bonds of 2016 are not subject to early redemption prior to their stated maturity dates.

General Obligation Bonds, Project of 2004, Series D (2011)

In May 2011, the District issued $150,000,000 of general obligation bonds. These bonds were issued to make certain improvements to the District's educational facilities and to finance land and equipment purchases. Bonds maturing on or after July 1, 2022 are subject to early redemption.

NOTE 5 - Long-term Liabilities (continued)

General Obligation Bonds, Series 2013

In June of 2013, the District issued $151,090,000 of general obligation bonds. These bonds were issued to make certain improvements to the district's educational facilities, purchase equipment, and pay costs relating to the issuance of the Bonds. Bonds maturing before July 1, 2023 are noncallable. Bonds maturing on or after July 1, 2024 are subject to early redemption.

Leases

The District, as lessee, has acquired classroom, office, and other space throughout Maricopa County under the provision of various lease agreements. Lease terms for our significant sites vary based on space availability and the District's needs. Significant sites include the following locations.

In 2006, the District, on behalf of Chandler-Gilbert Community College, entered into a 40-year ground lease with Williams Gateway Airport Authority for the right to access and develop an aviation hangar/office building consisting of approximately 2.3 acres.

In 2019, the District, on behalf of GateWay College, entered into an agreement with Stockbridge 555 MOB to operate a nursing school in the St. Luke's Medical Center office building. The term is approximately 10 years for 28,671 square feet of space.

In 2019, the District, on behalf of GateWay College, entered into an agreement with Phoenix Biomedical Campus for use of office, meeting room, and industry certification and non-credit professional development use in connection with its Center for Entrepreneurial Innovation Program. The term is 10 years for 6,275 square feet of space.

In 2012, the District, on behalf of GateWay College, entered into an agreement with 29 Bell LLC to lease a portion of Marbella Plaza Shopping Center to operate Northwest Skill Center. The term is 15 years for 32,500 square feet of space.

In 1967, the District entered into a 99-year lease with the Salt River Pima-Maricopa Indian Community to lease approximately 40 acres of land in order to build out the Scottsdale Community College campus.

NOTE 5 - Long-term Liabilities (continued)

The following schedule lists the principal and interest requirements to maturity for the District's leases payable as of June 30,2022.

	Business-Type Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	$ 1,321,846	$ 100,221	$ 1,422,067
2024	1,370,577	88,130	1,458,707
2025	1,404,139	75,681	1,479,820
2026	1,438,583	62,905	1,501,488
2027	1,339,286	49,898	1,389,184
2028 - 2032	3,119,596	106,941	3,226,537
2033 - 2037	222,044	49,956	272,000
2038 - 2042	239,405	32,595	272,000
2043 - 2047	197,594	14,406	212,000
2048 - 2052	24,503	7,497	32,000
2053 - 2057	26,476	5,524	32,000
2058 - 2062	28,608	3,392	32,000
2063 - 2067	27,712	1,088	28,800
	$ 10,760,369	$ 598,234	$ 11,358,603

NOTE 6 - Pension

Plan Description - District employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Article 2. The ASRS is a component unit of the State of Arizona. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its website at www.azasrs.gov.

NOTE 6 - **Pension** (continued)

Benefits Provided - The ASRS provides retirement and survivor benefits. State statute establishes benefits terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Retirement Initial Membership Date:	
	Before July 1, 2011	**On or after July 1, 2011**
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years, age 62 5 years, age 50* any years, age 65	30 years, age 55 25 years, age 60 10 years, age 62 5 years, age 50* any years, age 65
Final average salary is based on	Highest 36 consecutive months of last 120 months	Highest 60 consecutive months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

*With actuarially reduced benefits.

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earnings. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the retirement benefit option chosen determines the survivor benefit. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Contributions - In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2022, statute required active ASRS members to contribute at the actuarially determined rate of 12.22 percent of the members' annual covered payroll, and statute required the District to contribute at the actuarially determined rate of 12.01 percent of the active members' annual covered payroll. In addition, the District was required by statute to contribute at the actuarially determined rate of 10.13 percent of annual covered payroll of retired members who worked for the District in positions that an employee who contributes to the ASRS would typically fill. The District's contributions to the pension plan for the year ended June 30, 2022, were $45,621,359.

Pension Liability - At June 30, 2022, the District reported a liability of $452,179,424 for its proportionate share of the net pension liability of the ASRS. The net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2020, to the measurement date of June 30, 2021. The total liability as of

NOTE 6 - Pension (continued)

June 30, 2021, reflects changes in actuarial assumptions based on the results of an actuarial experience study for the 5-year period ended June 30, 2020, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increases from 2.7-7.2 percent to 2.9-8.4 percent.

The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2021. The District's proportion measured as of June 30, 2021, was 3.44136 percent, which was a decrease of 0.00371 from its proportion measured as of June 30, 2020.

Pension Expense and Deferred Outflows/Inflows of Resources - For the year ended June 30, 2022, the District recognized pension expense for ASRS of $37,468,647. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 6,893,059	
Net difference between projected and actual earnings on pension plan investments		$143,266,349
Changes in assumptions or other inputs	58,854,767	
Changes in proportion and differences between district contributions and proportionate share of contributions	4,925,736	415,328
District contributions subsequent to the measurement date (fiscal year 2022 district contributions)	45,621,359	
Total	$116,294,921	$143,681,677

The $45,621,359 reported as deferred outflows of resources related to ASRS pensions resulting from district contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions will be recognized in pension expense as follows:

Year ending June 30,	
2023	$ 6,518,399
2024	1,427,036
2025	(31,582,890)
2026	(49,370,660)

NOTE 6 - Pension (continued)

Actuarial Assumptions - The significant actuarial assumptions used to measure the total pension liability are as follows:

Actuarial valuation date	June 30, 2020
Actuarial roll forward date	June 30, 2021
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Projected salary increases	2.9–8.4%
Inflation	2.3%
Permanent benefit increase	Included
Mortality rates	2017 SRA Scale U-MP

Actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2020.

The long-term expected rate of return on ASRS pension plan investments was determined to be 7.0 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Equity	50%	4.90%
Fixed income - credit	20%	5.20%
Fixed income - interest rate sensitive	10%	0.70%
Real estate	20%	5.70%
Total	100%	

Discount Rate - At June 30, 2021, the discount rate used to measure the ASRS total pension liability was 7.0 percent, which was a decrease of 0.5 from the discount rate used as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 6 - Pension (continued)

Sensitivity of the District's Proportionate Share of the ASRS Net Pension Liability to Changes in the Discount Rate - The following table presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
District's proportionate share of the net pension liability	$ 711,240,361	$ 452,179,424	$ 236,194,282

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued ASRS financial report.

Contributions Payable – The District's accrued payroll and employee benefits included $1,232,914 of outstanding pension contribution amounts payable to ASRS for the year ended June 30, 2022.

NOTE 7 - Operating Expenses

The District's operating expenses are presented by functional classification in the Statement of Revenues, Expenses, and Changes in Net Position – Primary Government. The operating expenses can also be classified into the following:

Salaries and benefits	$ 601,874,783
Financial aid	155,183,674
Contract services	98,122,281
Depreciation and amortization	50,799,385
Noncapitalized equipment	40,579,063
Communications, utilities, and travel	20,043,417
Supplies and materials	16,346,454
Subscriptions, dues, insurance, and rentals	15,820,540
Total operating expenses	$ 998,769,597

The District uses credit cards to pay certain vendors for goods and services. The District received $127,300 in rebates resulting from credit card payments for the year ended June 30, 2022.

NOTE 8 - Risk Management

The District is exposed to various risks of loss related to legal liability, property, errors and omissions, and injuries to employees. The District carries commercial insurance for all such risks of loss. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

The District finances uninsured risks of loss for certain health benefits to eligible employees and their dependents. The healthcare plan provides coverage for amounts up to $575,000 per claim. The District purchases commercial insurance for claims in excess of this limit and utilizes a consultant to determine the required annual funding based upon anticipated utilization, cost trends, and benefit levels. Independent administrators provide claim and recordkeeping services for each self-insured plan. The District self-insures workers' compensation claims up to $500,000 and purchases commercial insurance for claims exceeding $500,000. Settled claims for workers' compensation and health benefits have not exceeded the District's commercial insurance coverage in any of the past three fiscal years.

The insurance claims payable of $10,043,015 at June 30, 2022, includes the amounts payable for both health benefits and workers' compensation. This amount has been recognized as an expense and is included in accrued liabilities in the Statement of Net Position. It is the estimated cost of settling claims that have been reported but not settled and claims that have been incurred but not reported and is based on actuarial valuations. The District's claims payable for the fiscal years ended June 30, 2021 and June 30, 2022 are as follows:

Health Benefits:	**2022**	**2021**
Claims payable, beginning of year	$ 8,484,000	$ 6,854,000
Current year actual and estimated claims	66,032,182	66,759,053
Less: Claim payments	(65,280,182)	(65,129,053)
Claims payable, end of year	$ 9,236,000	$ 8,484,000

Workers' Compensation:	**2022**	**2021**
Claims payable, beginning of year	$ 769,158	$ 818,098
Current year actual and estimated claims	428,689	393,041
Less: Claim payments	(390,832)	(441,981)
Claims payable, end of year	$ 807,015	$ 769,158

NOTE 9 - Contingencies and Litigation

The District is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of business. A reasonable estimate of the probable losses based on information currently available is $983,819. This amount has been recognized as an expense and is included in accrued liabilities in the Statement of Net Position. Other reasonably possible claims have been estimated to be $2,348,971. Management through legal counsel will seek denial of the claims. Management believes that the loss, if any, resulting from these claims will not have a material impact on the District's financial position, results of operations, or cash flows in future years.

NOTE 10 - Discretely Presented Component Unit Disclosures

The District's discretely presented component unit is comprised of the Maricopa County Community College District Foundation.

NOTE 10 a - Foundation Operations and Summary of Significant Accounting Policies

The significant accounting policies followed by the Foundation are as follows:

Basis of presentation - The financial statements are presented in accordance with FASB ASC 958-205, *Not-for-Profit Entities – Presentation of Financial Statements*. Under FASB ASC 958-205, the Foundation is required to report information regarding their financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

The Foundation maintains its accounts on the accrual basis of accounting. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and the board of directors.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors and grants. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Contributions received - The Foundation accounts for contributions received in accordance with FASB ASC 958-605, *Not-for-Profit Entities – Revenue Recognition*. In accordance with ASC 958-605, the Foundation evaluates grants and contributions for evidence of the transfer of commensurate value from the Foundation to the grantor or resource provider. The transfer of commensurate value from the Foundation to the grantor or resource provider may include instances when a) the goods or services provided by the Foundation directly benefit the grantor or resource provider or are for the sole use of the grantor or resource provider or b) the grantor or resource provider obtains proprietary rights or other privileges from the goods or services provided by the Foundation. When such factors exist, the Foundation accounts for the grants or contributions as exchange transactions under ASC 606, *Revenue from Contracts with Customers*, or other appropriate guidance. In the absence of these factors, the Foundation accounts for the award under the contribution accounting model.

NOTE 10 a - Foundation Operations and Summary of Significant Accounting Policies (continued)

In the absence of the transfer of commensurate value from the Foundation to the resource provider, the Foundation evaluates the contribution for criteria indicating the existence of measurable barriers to entitlement for the Foundation or the right of return to the resource provider. A barrier to entitlement is subject to judgment and generally represents an unambiguous threshold for entitlement that provides clarity to both the Foundation and resource provider whether the threshold has been met and when. These factors may include measurable performance thresholds or limited discretion on the part of the Foundation to use the funds. Should the existence of a measurable barrier to entitlement exist and be accompanied by a right of return of the funds to the resource provider or release of the resource provider from the obligation, the contribution is treated as a conditional contribution. If both the barrier to entitlement and right of return do not exist, the contribution is unconditional.

The Foundation recognizes amounts received from unconditional contributions at the time the Foundation receives notification of the award. Contributions that include conditions imposed by the grantor or resource provider are recognized when those conditions are met by the Foundation.

During 2022, the Foundation received payments from several grants that are conditional in nature and the revenue can only be recognized once the Foundation has met the specified conditions, such as incurring qualified expenses or achieving specific milestones. As of June 30, 2022, unearned conditional grant revenue associated with these grants is $283,812 and is included in deferred revenue in the accompanying statement of financial position. Additionally, the Foundation is the recipient of certain conditional promises to give that will be recognized upon the satisfaction of the grant conditions, which include achieving specific performance milestones or raising matching contributions. As of June 30, 2022, conditional promises to give that have not been recognized because the conditions have not been met totaled $584,347.

In accordance with FASB ASC 958-605, contributions received are recorded as contributions without donor restrictions or contributions with donor restrictions depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in net assets with donor restrictions depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and change in net assets as net assets released from restrictions.

Contributions received without donor restrictions are distributed as scholarships, as designated by the Board of Directors of the Foundation, or used to further the objectives of the Foundation and to secure current or future endowments through fundraising activities and programs. Contributions received with donor restrictions are distributed according to donor specification, generally as scholarships to attendees of Maricopa

NOTE 10 a - Foundation Operations and Summary of Significant Accounting Policies (continued)

County Community Colleges or to support programs and projects to advance these colleges. Contributions received with donor restrictions that are perpetual in nature require the principal be invested in perpetuity; the distributable income from the related investments is reflected as net assets with donor restrictions in the statement of activities and change in net assets as specified by the donor.

Unconditional promises to give (pledges) that are to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are initially recorded at the fair value of their estimated future cash flows as of the date of the promise to give through the use of a present value discount technique. In periods subsequent to initial recognition, unconditional promises to give are reported at the amount management expects to collect and are discounted over the collection period using the same discount rate as determined at the time of initial recognition. The discount rate determined at the initial recognition of the unconditional promise to give is based upon management's assessment of many factors, including when the receivable is expected to be collected, the creditworthiness of the other parties, the Foundation's past collection experience and its policies concerning the enforcement of promises to give, expectations about possible variations in the amount or timing, or both, of the cash flows, and other factors concerning the receivable's collectability. Amortization of the discounts is included in support from contributions. Collectibility of promises to give is determined by management based on historical information. At June 30, 2022, promises to give presented on the statement of financial position are net of an allowance for uncollectible pledges of $12,982, and a discount of $37,124. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Administration Fees - The Foundation charges an administration fee to defray part of the cost of managing restricted accounts held by the Foundation. A fee of 2% is charged on all new gifts, except endowment gifts. On January 1st of each year, an investment management fee of 200 basis points is charged on all accounts. This fee is not charged to endowment funds, if doing so would reduce the fund below its corpus. During the year ended June 30, 2022, the Board of Directors approved a transfer of operational reserves of $153,841 to effectively offset administration fees charged to the funds. Total fees of $805,230 were charged by the Foundation and this resulted in the net assets of $651,389 to be released from restriction for the year ended June 30, 2022.

Investments - The Foundation accounts for its investments in accordance with FASB ASC 958-320, *Not- for-Profit Entities – Investments – Debt Securities* and FASB ASC 958-321, *Not-for-Profit Entities – Investments – Equity Securities*. In accordance with FASB ASC 958-320 and 958-321, the Foundation carries its investments in equity and debt at fair value.

NOTE 10 a - Foundation Operations and Summary of Significant Accounting Policies (continued)

The combined individual funds participate in a common equity investment pool (the "Pool") by contributing their investable assets and receiving an ownership interest in the Pool. The ownership interest in the Pool is based on the ratio of the market value of the individual fund's investable assets to the total market value of the Pool. The ratio is used to allocate earnings activities among individual, general, and endowment funds.

Fair value measurements - FASB ASC 820, *Fair Value Measurement*, establishes a common definition for fair value to be applied under GAAP requiring the use of fair value, establishes a framework for measuring fair value, and expands disclosures about such fair value measurements. FASB ASC 820 also establishes a hierarchy for ranking the quality and reliability of the information used to determine fair values by requiring that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1: Unadjusted quoted market prices in active markets for identical assets or liabilities.

Level 2: Unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.

Level 3: Unobservable inputs for the asset or liability.

Income tax status - The Foundation qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (the "Code") and, therefore, there is no provision for income taxes for the entity. In addition, the Foundation qualifies for the charitable contribution deduction under Section 170 of the Code and has been deemed not to be a private foundation. Income determined to be unrelated business taxable income ("UBTI") would be taxable. Management believes that none of the income in 2022 is UBTI.

Recent accounting pronouncement - In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. ASU 2016-02 requires that a lease liability and related right-of-use-asset representing the lessee's right to use or control the asset be recorded on the balance sheet upon the commencement of all leases except for short-term leases. Leases will be classified as either finance leases or operating leases, which are substantially similar to the classification criteria for distinguishing between capital leases and operating in existing lease accounting guidance. As a result, the effect of leases in the statement of activities and change in net assets and the statement of cash flows will be substantially unchanged from the existing lease accounting guidance. The ASU is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Foundation is

NOTE 10 a - Foundation Operations and Summary of Significant Accounting Policies (continued)

currently evaluating the effect that the adoption of this standard will have on the financial statements.

In September 2020, the FASB issued ASU No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets.* ASU 2020-07 requires that gifts-in-kind be presented as a separate line item on the statement of activities. Additionally, gifts-in-kind are to be disaggregated into categories based on the type of gift received, with the following disclosures made for each category:

- Qualitative information about whether the contributed nonfinancial assets were either monetized or utilized during the reporting period. If utilized, the entity will be required to disclose a description of the programs or other activities in which those assets were used.
- The entity's policy (if any) about monetizing rather than utilizing contributed nonfinancial assets.
- A description of any donor-imposed restrictions associated with the contributed nonfinancial assets.
- A description of the valuation techniques and inputs used to arrive at a fair value measure, in accordance with the requirements in Topic 820, *Fair Value Measurement,* at initial recognition.
- The principal market (or most advantageous market) used to arrive at a fair value measure if it is a market in which the recipient entity is prohibited by a donor-imposed restriction from selling or using the contributed nonfinancial assets.

ASU 2020-07 is required to be adopted for annual reporting periods beginning after June 15, 2021 and shall be applied retrospectively to all periods presented. The Foundation implemented ASU 2020-07 during the year ended June 30, 2022.

NOTE 10 b - Pledges Receivable

Pledges receivable consist of the following at June 30, 2022:

Pledges receivable:	
Receivable in less than one year	$ 309,713
Receivable in one to five years	339,250
Total pledges receivable	648,963
Less discount to net present value	(37,124)
Less allowance for uncollectable pledges	(12,982)
Net pledges receivable	$ 598,857

NOTE 10 b - Pledges Receivable (continued)

Pledges receivable that are expected to be collected in more than one year have been discounted to their present value using a discount rate of 2%.

NOTE 10 c - Investments

Investments consist of the following at June 30, 2022:

Equity funds:	
Common stock funds - United States	$ 5,604,188
Common stock funds - emerging markets	1,019,889
Common stock funds - international	1,803,982
Exchange traded funds – global region	4,203,120
Exchange traded funds – international	3,733,613
Exchange traded funds – United States	7,219,509
Fixed Income funds:	
Government agencies - United States	511,406
Corporate bonds - United States	2,433,191
Exchange traded funds – fixed income	15,145,395
Real estate funds – United States	890,118
Partnerships:	
Partnerships – United States	8,937,145
Hedge funds:	
Hedge equity funds - United States	1,281,072
Money market funds	609,632
Total investments	$ 53,392,260

The following summarizes investment returns for the year ended June 30, 2022:

	Without donor restrictions	With donor restrictions	Total
Interest and dividends	$ 313,198	$ 987,014	$ 1,300,212
Net realized and unrealized losses	(1,925,666)	(4,343,890)	(6,269,556)
Brokerages fees	(35,739)	(128,352)	(164,091)
Total investment losses	$ (1,648,207)	$(3,485,228)	$ (5,133,435)

Investment earnings (losses) from endowments are classified as net assets with donor restrictions.

NOTE 10 d - Contributed Services

The District provides administration services consisting of office space and administrative salaries to the Foundation without charge as follows:

Contribution	Used For	Amount
Salaries, wages and benefits	Administration and fundraising	$1,422,657
Office space	Administration	154,964
Total contributions of nonfinancial assets		$1,577,621

Salaries, wages and benefits are valued based upon the actual salary and benefits cost incurred by the District that are then allocated to the Foundation based upon estimated level of effort provided to the Foundation (Level 2 inputs). Office space is valued using average local market rate of office rents of similar class and quality (Level 2 inputs).

NOTE 10 e - Fair Value Measurements

The following table sets forth the level, within the fair value hierarchy of the Foundation's assets and liabilities subject to recurring fair value measurement, including investments measured at net asset value ("NAV") as a practical expedient, as of June 30, 2022:

NOTE 10 e - Fair Value Measurements (continued)

	Level 1	Investments Measured at NAV	Total
Equity funds:			
Common stock funds - United States	$ 5,604,188	$ -	$ 5,604,188
Common stock funds – emerging markets	1,019,889	-	1,019,889
Common stock funds - international	1,803,982	-	1,803,982
Exchange traded funds – global region	4,203,120	-	4,203,120
Exchange traded funds – international	3,733,613	-	3,733,613
Exchange traded funds – United States	7,219,509	-	7,219,509
Fixed Income funds:			
Government agencies – United States	511,406	-	511,406
Corporate bond - United States	2,433,191	-	2,433,191
Exchange traded funds – fixed income	15,145,395	-	15,145,395
Real estate funds - United States	890,118	-	890,118
Partnerships – United States	-	8,937,145	8,937,145
Hedge equity funds - United States	868,488	412,584	1,281,072
Money market funds	609,632	-	609,632
	$ 44,042,531	$ 9,349,729	$ 53,392,260

The Foundation did not have any Level 2 or Level 3 investments as of June 30, 2022. The Foundation has no other assets or liabilities subject to fair value measurement other than at initial recognition.

NOTE 10 f - Net Assets with Donor Restrictions

Net assets with donor restrictions consist of the following at June 30, 2022:

Restricted for purposes or periods:	
Scholarship awards and program support	$ 12,335,433
Accumulated endowment earnings subject to spending policy, net of losses	6,620,241
	18,955,674
Restricted in perpetuity:	
Pledges receivable	98,753
Cash surrender value of life insurance	223,542
Endowment fund subject to the Foundation's spending policy	35,429,101
Total net assets restricted in perpetuity	35,751,396
Total net assets with restrictions	$ 54,707,070

Net assets released from restriction for the year ended June 30, 2022 consisted of the following:

Program support	$ 2,725,720
Scholarships	2,949,860
Administrative fees	651,389
Total net assets released from restriction	$ 6,326,969

NOTE 10 g - Endowments

The Foundation's endowments include only donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

In September 2008, the State of Arizona enacted ARS§10-11801 et seq Management of Charitable Funds Act ("MCFA"). The Board of Directors of the Foundation has interpreted MCFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions to be held in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as net assets with donor restrictions to be held in perpetuity are classified as net assets with donor restriction for purpose or periods until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by MCFA. In accordance with MCFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

NOTE 10 g - **Endowments** (continued)

(1) The duration and preservation of the fund
(2) The purposes of the Foundation and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the Foundation
(7) The investment policies of the Foundation

The changes in endowment net assets for the year ended June 30, 2022 are as follows:

	With donor restrictions
Endowment net assets, July 1, 2021	$ 40,774,493
Contributions and pledge collections	6,379,786
Interest and dividends, net of fees	858,662
Realized and unrealized losses	(4,343,890)
Appropriation of endowment assets for expenditure	(1,619,709)
Endowment net assets, June 30, 2022	$ 42,049,342

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Under this policy, and with assistance of professional investment advisors, the endowment assets are invested in a manner that is intended to produce results while assuming a moderate level of investment risk.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that consists of equity- securities, corporate bonds, and government securities.

The Foundation’s policy is to distribute, for the stated purpose of each fund, 4.25% for the year ended June 30, 2022 of a three-year average of the market value of each endowed fund that is above the original contributed amount as calculated at the end of each year. For funds that were below the original contributed amount, 4.25% of the three-year average at the end of the year were not eligible for disbursement for the year ended June 30, 2022. Actual investment earnings, in excess of (or less than) distribution, are added to (subtracted from) the endowment principal and available for future disbursements. If these amounts are not fully disbursed within a one-year period, the remaining amounts are transferred back to the endowment funds. For the year ended June 30, 2022 earnings of approximately $1,419,000 were eligible to be distributed for scholarships and program support. The unused funds of approximately $271,000 were maintained in the endowment funds to be

NOTE 10 g - Endowments (continued)

used for future disbursements as of June 30, 2022. For the year ended June 30, 2022, the Foundation transferred $153,000 from operational reserves in order to reduce the appropriation of endowment assets for expenditures.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or MCFA requires the Foundation to retain as a fund of perpetual duration. The Foundation does not charge administrative fees to underwater funds, however will continue to spend for programs or scholarships as requested. These deficiencies resulted primarily from unfavorable market fluctuations. The balance of these funds as of June 30, 2022 is as follows:

Total corpus of underwater funds	$ 8,938,824
Less asset value of underwater funds	(8,343,079)
Underwater fund balance	$ 595,745

Required Supplementary Information

Maricopa County Community College District
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability
June 30, 2022

Arizona State Retirement System

Reporting Fiscal Year (Measurement Date)

	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)	2014 through 2013
District's proportion of the net pension liability	3.44%	3.45%	3.34%	3.54%	3.67%	3.66%	3.56%	3.83%	Information Not Available
District's proportionate share of the net pension liability	$452,179,424	$596,910,744	$485,934,650	$493,690,078	$571,750,292	$591,099,729	$ 554,292,685	$567,149,473	
District's covered payroll	$378,240,504	$370,215,836	$343,058,053	$342,659,110	$339,768,356	$338,143,867	$ 336,503,471	$339,248,495	
District's proportionate share of the net pension liability as a percentage of its covered payroll	83.65%	62.02%	70.60%	69.41%	59.43%	57.21%	60.71%	59.82%	
Plan fiduciary net position as a percentage of the total pension liability	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%	

Maricopa County Community College District
Required Supplementary Information
Schedule of District Pension Contributions
June 30, 2022

Arizona State Retirement System	**Reporting Fiscal Year**									
	2022	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**
Statutorily required contribution	$ 45,621,359	$ 44,159,652	$ 42,946,457	$ 37,771,104	$ 37,349,843	$ 36,624,158	$ 36,678,831	$ 36,569,171	$ 36,299,589	Information not available
District's contributions in relation to the statutorily required contribution	$ 45,621,359	$ 44,159,652	$ 42,946,457	$ 37,771,104	$ 37,349,843	$36,624,158	$36,678,831	$36,569,171	$36,299,589	
District’s contribution deficiency (excess)	-	-	-	-	-	-	-	-		
District's covered payroll	$379,454,597	$378,240,504	$370,215,836	$343,058,053	$342,659,110	$339,768,356	$338,143,867	$336,503,471	$339,248,495	
District's contributions as a percentage of covered payroll	12.02%	11.68%	11.60%	11.01%	10.90%	10.78%	10.85%	10.87%	10.70%	

Supplemental Information

Maricopa County Community College District
Schedule of Revenues, Expenses, and Changes in Net Position
By College/Center
For the Year Ended June 30, 2022

	Phoenix College	Glendale Community College	GateWay Community College	Mesa Community College	Scottsdale Community College
Operating revenues:					
Tuition and fees, net of scholarship allowance	$ 9,808,009	$ 14,841,054	$ 7,661,023	$ 22,346,390	$ 9,954,089
Other	665,856	295,960	781,504	721,946	470,091
Total operating revenues	10,473,865	15,137,014	8,442,527	23,068,336	10,424,180
Operating expenses:					
Educational and general:					
Instruction	31,442,164	46,035,027	20,903,473	52,633,679	26,957,629
Public service	212,513	74,309	98,281	370,517	35,718
Academic support	9,954,057	12,964,229	4,362,809	13,716,532	6,134,026
Student services	7,539,166	8,923,087	6,358,654	11,060,115	6,260,607
Institutional support	12,544,047	11,940,030	11,378,232	21,587,977	5,680,569
Operation and maintenance of plant	6,190,186	13,256,681	3,407,757	10,956,317	6,701,249
Student financial assistance	17,425,017	31,414,776	8,497,552	21,762,895	8,673,986
Auxiliary enterprises	1,679,217	1,920,947	13,377,396	3,553,559	1,394,624
Depreciation	5,210,258	4,439,234	5,969,940	6,230,622	4,529,083
Total operating expenses	92,196,625	130,968,320	74,354,094	141,872,213	66,367,491
Operating loss	(81,722,760)	(115,831,306)	(65,911,567)	(118,803,877)	(55,943,311)
Nonoperating revenues (expenses):					
Property taxes	45,091,762	66,945,886	47,185,474	77,468,376	38,329,193
State appropriations	1,080,018	1,682,436	718,339	1,937,324	830,380
Smart and Safe AZ fund appropriations	2,314,286	3,605,161	1,539,271	4,151,338	1,779,355
State-shared sales tax	235,581	-	334,681	-	-
Government grants and contracts	32,340,958	47,665,255	18,428,906	38,906,814	14,284,678
Private grants, contracts, and gifts	667,790	986,277	(2,179,191)	1,491,893	732,621
Investment earnings, net of investment expense	1,897	227	37	21	859
Interest expense on debt	-	-	(92,355)	-	(3,660)
Gain (loss) on sale/disposal of capital assets	(15,032)	(19,993)	(35,834)	(50,315)	(10,115)
Total nonoperating revenues and expenses	81,717,260	120,865,249	65,899,328	123,905,451	55,943,311
Income (loss) before other revenues, expenses, gains or losses	(5,500)	5,033,943	(12,239)	5,101,574	-
Capital grants and gifts	5,500	63,366	12,239	-	-
Increase in net position	-	5,097,309	-	5,101,574	-

See accompanying notes to supplemental information.

Rio Salado College	South Mountain Community College	Chandler-Gilbert Community College	Paradise Valley Community College	Estrella Mountain Community College	District Support Services Center	Total Colleges/ Centers
$ 24,950,931	$ 3,088,580	$ 16,105,385	$ 7,537,655	$ 8,998,859	$ 1,028,866	$ 126,320,841
1,201,102	299,123	500,735	187,144	623,975	34,883,739	40,631,175
26,152,033	3,387,703	16,606,120	7,724,799	9,622,834	35,912,605	166,952,016
14,905,476	10,837,474	26,790,225	23,215,457	20,874,809	3,892,265	278,487,678
12,119,979	79,004	46,294	36,386	44,719	4,773,909	17,891,629
20,805,541	3,707,897	10,540,215	4,541,277	8,719,360	6,174,301	101,620,244
6,640,379	4,569,229	7,109,215	5,335,898	4,451,197	10,801,902	79,049,449
18,112,132	6,225,828	9,125,719	8,548,534	5,925,883	91,920,556	202,989,507
5,369,874	3,587,981	6,410,374	5,329,062	4,564,445	15,959,966	81,733,892
12,861,186	8,764,238	15,034,490	8,797,267	18,179,854	441,071	151,852,332
6,863,742	904,839	1,199,074	765,426	940,988	1,745,669	34,345,481
2,878,694	2,305,760	4,781,575	4,146,759	4,251,568	6,055,892	50,799,385
100,557,003	40,982,250	81,037,181	60,716,066	67,952,823	141,765,531	998,769,597
(74,404,970)	(37,594,547)	(64,431,061)	(52,991,267)	(58,329,989)	(105,852,926)	(831,817,581)
66,243,479	25,585,278	54,157,709	36,421,496	38,066,263	110,757,840	606,252,756
2,009,660	407,774	1,537,081	741,614	1,055,374	-	12,000,000
4,306,341	873,786	3,293,689	1,589,146	2,261,477	-	25,713,850
-	-	-	-	-	18,416,548	18,986,810
25,150,779	10,180,477	23,503,589	13,802,065	27,345,288	(12,472,211)	239,136,598
10,488,768	566,812	762,892	442,438	744,421	(3,281,691)	11,423,030
(1,345)	4,605	-	-	-	(3,984,991)	(3,978,690)
-	-	(14,586)	-	-	(3,574,463)	(3,685,064)
9,607	(24,185)	(7,141)	(5,492)	(12,433)	(8,106)	(179,039)
108,207,289	37,594,547	83,233,233	52,991,267	69,460,390	105,852,926	905,670,251
33,802,319	-	18,802,172	-	11,130,401	-	73,852,670
-	-	-	-	-	-	81,105
33,802,319	-	18,802,172	-	11,130,401	-	73,933,775
			Net position - July 1, 2021			548,889,665
			Net position - June 30, 2022			$ 622,823,440

Maricopa County Community College District
Notes to Supplemental Information
For the Year Ended June 30, 2022

NOTE 1 - Statement of Purpose

The Maricopa County Community College District Statement of Revenues, Expenses, and Changes in Net Position by College/Center for the Year Ended June 30, 2022, is required by the terms of a Memorandum of Understanding (MOU) between the Maricopa County Community College District (the District) and the Higher Learning Commission (HLC), a commission of the North Central Association of Colleges and Schools (NCA). The MOU outlines an appropriate pattern of evidence to be made available by the District for purposes of meeting certain NCA Criteria for Accreditation related to financial resources/uses and other assurances. This schedule presents revenues and expenses for each college/center within the District.

NOTE 2 - Bases of Allocations

The District receives and records property tax revenue, state appropriations, and Smart and Safe Arizona fund appropriations on behalf of the colleges. For the purpose of this schedule, these revenues are allocated to the colleges on the basis of full-time student equivalents and a distribution of District Support Services Center costs. Pension expense is allocated to the colleges on the basis of pension contributions for the fiscal year.

Maricopa Skill Center, Southwest Skill Center, and Northwest Skill Center are included with GateWay Community College.

Statistical Section

The Maricopa County Community College District (the District) implemented the provisions of Governmental Accounting Standards Board Statement No. 44, *Economic Condition Reporting: The Statistical Section.*

This section of the Maricopa County Community College District's comprehensive annual financial report presents detailed information as a context for further understanding of the information in the financial statements, note disclosures, and supplementary information.

Financial Trends
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity
These schedules contain information to help the reader assess the District's most significant revenue sources.

Debt Capacity
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information
These schedules contain service and capital asset data to help the reader understand how the information in the District's financial report relates to the services the government provides and the activities it performs.

Maricopa County Community College District
Schedule of Net Position by Component
Last Ten Fiscal Years
(Dollars in Thousands)

	Fiscal Year 2021-22	2020-21	2019-20	2018-19	2017-18
Net investment in capital assets	$ 493,844	$ 442,940	$ 397,965	$ 356,740	$ 371,049
Restricted – nonexpendable	334	342	428	402	363
Restricted – expendable	89,168	124,154	116,526	127,319	107,654
Unrestricted	39,477	(18,546)	(12,605)	(10,668)	(55,386)
Total net position	622,823	$ 548,890	$ 502,314	$ 473,793	$ 423,680

	Fiscal Year 2016-17	2015-16	2014-15	2013-14	2012-13
Net investment in capital assets	$ 313,960	$ 279,671	$ 289,058	$ 272,857	$ 259,717
Restricted – nonexpendable	315	332	591	569	654
Restricted – expendable	115,328	109,527	104,437	105,191	106,252
Unrestricted	(67,887)	(98,602)	(143,584)	436,819	428,439
Total net position	$ 361,716	$ 290,928	$ 250,502	$ 815,436	$ 795,062

Source: Annual Comprehensive Financial Reports for years presented.

Maricopa County Community College District
Schedule of Expenses by Identifiable Activity
Last Ten Fiscal Years
(Dollars in Thousands)

	Fiscal Year				
	2021-22	2020-21	2019-20	2018-19	2017-18
Instruction	$ 278,488	$ 274,679	$ 273,761	$ 263,917	$ 259,568
Public service	17,892	18,689	17,999	16,747	17,842
Academic support	101,620	92,046	88,685	79,667	81,846
Student services	79,050	74,169	76,149	78,808	78,458
Institutional support	202,990	200,220	183,448	159,504	131,860
Operation and maintenance of plant	81,734	88,122	88,547	81,543	58,338
Student financial assistance	151,852	95,842	97,523	77,996	81,901
Auxiliary enterprises	34,345	33,624	45,266	46,017	57,407
Depreciation	50,799	49,909	52,130	56,235	50,523
Other	-	-	-	-	3
Total operating expenses	998,770	927,300	923,508	860,434	817,746
Interest expense on debt	3,685	6,423	9,146	11,502	14,236
Loss on sale/disposal of capital assets	179	418	183	1,456	4,759
Total nonoperating expenses	3,864	6,841	9,329	12,958	18,995
Total expenses	$ 1,002,634	$ 934,141	$ 932,837	$ 873,392	$ 836,741

	Fiscal Year				
	2016-17	2015-16	2014-15	2013-14	2012-13
Instruction	$ 265,767	$ 277,994	$ 291,503	$ 284,652	$ 286,661
Public service	19,256	16,167	16,380	16,811	16,797
Academic support	79,601	82,490	87,384	86,963	81,347
Student services	77,676	76,318	73,666	72,056	70,305
Institutional support	120,552	111,309	112,298	116,376	133,259
Operation and maintenance of plant	52,089	76,013	68,609	69,430	67,244
Student financial assistance	79,793	86,584	96,914	102,958	112,538
Auxiliary enterprises	53,451	52,908	50,662	48,480	53,760
Depreciation	51,830	56,114	50,077	48,271	43,893
Other	68	217	447	340	2,380
Total operating expenses	800,083	836,114	847,940	846,337	868,184
Interest expense on debt	15,269	20,862	22,512	24,779	22,275
Loss on sale/disposal of capital assets	2,904	3,103	875	2,397	80
Total nonoperating expenses	18,173	23,965	23,387	27,176	22,355
Total expenses	$ 818,256	$ 860,079	$ 871,327	$ 873,513	$ 890,539

Source: Annual Comprehensive Financial Reports for years presented.

Maricopa County Community College District
Schedule of Expenses by Use
Last Ten Fiscal Years
(Dollars in Thousands)

	Fiscal Year 2021-22	2020-21	2019-20	2018-19	2017-18
Salaries and benefits	$ 601,876	$ 592,755	$ 581,187	$ 526,941	$ 518,498
Contract services	98,122	90,870	96,419	99,322	87,210
Financial aid	155,184	99,651	103,772	83,799	87,171
Depreciation	50,799	49,909	52,130	56,235	50,523
Communications, utilities, and travel	20,043	17,200	20,232	24,069	23,057
Noncapitalized equipment	40,579	46,878	38,875	39,611	21,339
Supplies and materials	16,346	15,682	18,118	17,873	17,343
Subscriptions, dues, insurance, and rentals	15,821	14,355	12,775	12,584	12,605
Other expenses	-	-	-	-	-
Total operating expenses	998,770	927,300	923,508	860,434	817,746
Interest expense on debt	3,685	6,423	9,146	11,502	14,236
Loss on sale/disposal of capital assets	179	418	183	1,456	4,759
Total nonoperating expenses	3,864	6,841	9,329	12,958	18,995
Total expenses	$ 1,002,634	$ 934,141	$ 932,837	$ 873,392	$ 836,741

	Fiscal Year 2016-17	2015-16	2014-15	2013-14	2012-13
Salaries and benefits	$ 522,950	$ 519,206	$ 542,016	$ 533,597	$ 527,939
Contract services	79,842	74,420	77,727	64,118	66,826
Financial aid	84,382	93,232	103,414	110,664	120,046
Depreciation	51,830	56,114	50,077	48,271	43,893
Communications, utilities, and travel	23,834	24,849	24,421	23,310	24,897
Noncapitalized equipment	9,166	39,659	19,746	20,065	24,522
Supplies and materials	16,438	16,788	17,369	21,100	20,754
Subscriptions, dues, insurance, and rentals	11,641	11,846	10,565	10,339	9,508
Other expenses	-	-	2,605	14,873	29,799
Total operating expenses	800,083	836,114	847,940	846,337	868,184
Interest expense on debt	15,269	20,862	22,512	24,779	22,275
Loss on sale/disposal of capital assets	2,904	3,103	875	2,397	80
Total nonoperating expenses	18,173	23,965	23,387	27,176	22,355
Total expenses	$ 818,256	$ 860,079	$ 871,327	$ 873,513	$ 890,539

Source: Annual Comprehensive Financial Reports for years presented.

Maricopa County Community College District
Schedule of Revenues by Source
Last Ten Fiscal Years
(Dollars in Thousands)

	Fiscal Year				
	2021-2022	**2020-2021**	**2019-20**	**2018-19**	**2017-18**
Tuition and fees, net of scholarship allowance	$ 126,321	$ 108,818	$ 148,243	$ 150,269	$ 150,564
Other	40,631	6,845	9,100	10,072	10,641
Total operating revenues	166,952	115,663	157,343	160,341	161,205
Property taxes	606,253	595,673	579,336	564,758	545,570
State appropriations	12,000	1,600	7,400	-	-
Smart and Safe Arizona fund appropriations	25,714	4,614	-	-	-
State-shared sales tax	18,987	16,663	13,452	12,228	11,328
Government grants and contracts	239,136	230,449	171,092	151,942	156,014
Private grants, contracts, and gifts	11,423	15,440	20,339	18,796	18,325
Investment income, net of investment expense	(3,979)	512	12,208	15,398	5,906
Gain on sale/disposal of capital assets	-	-	-	-	-
Total nonoperating revenues	909,534	864,951	803,827	763,122	737,143
Total revenues	$ 1,076,486	$ 980,614	$ 961,170	$ 923,463	$ 898,348

	Fiscal Year				
	2016-17	**2015-16**	**2014-15**	**2013-14**	**2012-13**
Tuition and fees, net of scholarship allowance	$ 154,548	$ 154,866	$ 155,484	$ 153,195	$ 149,178
Other	8,321	18,698	12,480	11,596	14,515
Total operating revenues	162,869	173,564	167,964	164,791	163,693
Property taxes	536,564	527,357	517,731	497,466	475,439
State appropriations	-	-	7,410	7,914	8,316
Smart and Safe Arizona fund appropriations	-	-	-	-	-
State-shared sales tax	10,463	9,982	9,629	8,928	7,452
Government grants and contracts	156,249	167,627	186,040	195,169	208,101
Private grants, contracts, and gifts	18,082	17,826	15,827	16,483	13,439
Investment income, net of investment expense	3,118	3,753	2,341	2,728	1,488
Gain on sale/disposal of capital assets	-	-	-	-	-
Total nonoperating revenues	724,476	726,545	738,978	728,688	714,235
Total revenues	$ 887,345	$ 900,109	$ 906,942	$ 893,479	$ 877,928

Source: Annual Comprehensive Financial Reports for years presented.

Maricopa County Community College District
Schedule of Other Changes in Net Position
Last Ten Fiscal Years
(Dollars in Thousands)

	Fiscal Year				
	2021-22	**2020-21**	**2019-20**	**2018-19**	**2017-18**
Income (loss) before other changes in net position	$ 73,853	$ 46,473	$ 28,333	$ 50,071	$ 61,607
Capital grants and gifts	81	102	188	42	357
Total change in net position	$ 73,934	$ 46,575	$ 28,521	$ 50,113	$ 61,964

	Fiscal Year				
	2016-17	**2015-16**	**2014-15**	**2013-14**	**2012-13**
Income (loss) before other changes in net position	$ 69,088	$ 40,029	$ 35,614	$ 19,966	$ (12,611)
Capital grants and gifts	1,700	396	1,541	408	540
Total change in net position	$ 70,788	$ 40,425	$ 37,155	$ 20,374	$ (12,071)

Source: Annual Comprehensive Financial Reports for years presented.

Maricopa County Community College District
Assessed Value and Estimated Market Value of Taxable Property
Last Ten Fiscal Years
(Dollars in Thousands)

Fiscal Year	Property Values Assessed: Secured	Unsecured		Total	Total Direct Tax Rate	Total Secured and Unsecured Estimated Market Value	Total Secondary Assessed Value as a Percent of Total Market Value
2021-22	$ 47,172,988	$ 1,551,139		$ 48,724,127	1.2257	$ 663,161,039	7.3 %
2020-21	44,233,929	1,471,041		45,704,970	1.2881	607,928,073	7.5
2019-20	41,687,136	1,507,190		43,194,326	1.3285	552,974,238	7.8
2018-19	39,174,219	1,249,013		40,423,232	1.3754	508,477,424	7.9
2017-18	36,915,364	1,336,527		38,251,891	1.4096	475,077,340	8.1
2016-17	34,806,837	1,328,657		36,135,494	1.4651	443,207,235	8.2
2015-16	33,326,722	1,296,948		34,623,670	1.4940	403,013,955	8.6
2014-15	33,658,024	1,421,622		35,079,646	1.5187	339,536,632	10.3
2013-14	30,817,627	1,411,380	(1)	32,229,007	1.5340	310,300,015	10.4
2012-13	33,136,394	1,264,062		34,400,456	1.3778	321,960,274	10.7

Source: Maricopa County Department of Finance and the Maricopa County Assessor.

Note: Primary assessed values are used to determine primary levy for maintenance and operations; secondary assessed values are used to determine secondary levy for general obligation bond debt service.

Secured includes centrally valued property, real property, and secured personal property. Unsecured is unsecured personal property.

(1) The Levy Worksheets have been modified for Tax Year 2013 to combine unsecured and secured Personal Property into a single net assessed valuation for the Current Property Subject to Taxation in Prior Year, Current Net Assessed Valuation, and Prior Year Net Assessed Valuation.

Maricopa County Community College District
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
(Per $100 Assessed Valuation)

	Maricopa County Community College District Direct Rate			Overlapping Rates					
Fiscal Year	Primary Levy	Secondary Levy	Total	Maricopa County	Education Equalization	Central Arizona Water Conservation District	Other Special Districts	School Districts	Cities
2021-22	$ 1.1112	$ 0.1145	$ 1.2257	$ 1.58	$ 0.43	$ 0.14	$ 0 - 4.84	$ 1.09 - 9.52	$ 0 - 3.39
2020-21	1.1250	0.1631	1.2881	1.64	0.44	0.14	0 - 5.30	1.30 - 9.15	0 - 3.68
2019-20	1.1565	0.1720	1.3285	1.64	0.46	0.14	0 - 5.80	1.20 - 9.01	0 - 3.74
2018-19	1.1708	0.2046	1.3754	1.64	0.47	0.14	0 - 5.69	.99 - 10.62	0 - 3.96
2017-18	1.1956	0.2140	1.4096	1.64	0.49	0.14	0 - 6.69	.90 - 11.05	0 - 3.99
2016-17	1.2376	0.2275	1.4651	1.64	0.50	0.14	0 - 8.70	.75 - 11.10	0 - 3.97
2015-16	1.2628	0.2312	1.4940	1.58	0.51	0.14	0 - 7.12	.85 - 11.14	0 - 3.97
2014-15	1.2824	0.2363	1.5187	1.52	0.51	0.14	0 - 5.61	.77 - 10.64	0 - 3.75
2013-14	1.2896	0.2444	1.5340	1.46	0.51	0.14	0 - 5.30	.75 - 10.22	0 - 4.04
2012-13	1.1563	0.2215	1.3778	1.47	0.47	0.10	0 - 6.15	.77 - 10.45	0 - 3.89

Source: District records and Maricopa County Department of Finance.

Note: Tax rates for overlapping governments are rounded to the nearest cent.

Maricopa County Community College District
Principal Taxpayers
Current Year and Nine Years Ago

Taxpayer	Fiscal Year 2021-22			Fiscal Year 2012-13		
	2021-2022 Secondary Assessed Value	Rank	Percentage of 2021-2022 Secondary Assessed Value	2012-2013 Secondary Assessed Value	Rank	Percentage of 2012-2013 Secondary Assessed Value
Arizona Public Service Company	$ 1,398,889,377	1	2.87 %	$ 1,083,293,216	1	3.15 %
Southwest Gas Corporation	269,845,716	2	0.55	147,481,459	3	0.43
Southern California Edison Co	115,673,692	3	0.24	128,749,055	4	0.37
Wal-Mart Stores Inc	105,750,273	4	0.22	81,666,573	6	0.24
El Paso Electric Co	101,852,944	5	0.21	124,582,571	5	0.36
Qwest Corporation	91,783,445	6	0.19	153,665,296	2	0.45
Target Corporation	75,215,927	7	0.15	*	*	-
Smiths Food & Drug Centers Inc	67,297,890	8	0.14	*	*	-
Intel Corporation	65,757,109	9	0.13	*	*	-
Public Service Company Of New Mexico	61,924,660	10	0.13	72,976,296	9	0.21
Mesquite Power LLC	*		-	79,950,000	7	0.23
Sundevil Power Holdings, LLC	*		-	73,220,160	8	0.21
Verizon Wireless	*		-	67,380,641	10	0.20
Total Principal Taxpayers	$ 2,353,991,033		4.83 %	$ 2,012,965,267		5.85 %
Countywide Secondary Valuation	$ 48,724,126,672			$ 34,400,455,716		

* Taxpayers did not fall within the top 10 for the year identified.

Source: Maricopa County Assessor's Office.

Note: Salt River Project, a local utility, pays an in-lieu tax based on an estimated assessed valuation. The net assessed valuation for tax year 2021 is $ 832,588,000

Maricopa County Community College District
Property Tax Levies and Collections
Last Ten Fiscal Years

				Collected within the Fiscal Year of the Levy			Total Collections to Date	
Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments	Total Adjusted Levy	Amount	Percentage of Original Levy	Collections in Subsequent Years	Amount	Percentage of Adjusted Levy
2021-22	542,683,443	(1,971,134)	$ 540,712,309	533,215,350	98.26 %	-	$ 533,215,350	98.61 %
2020-21	515,497,641	(2,421,791)	513,075,850	506,678,387	98.29	6,143,502	512,821,889	99.95
2019-20	497,266,795	(2,179,830)	495,086,965	486,796,521	97.89	8,227,119	495,023,640	99.99
2018-19	474,047,249	(3,738,718)	470,308,532	466,256,591	98.36	3,918,609	470,175,200	99.97
2017-18	457,154,415	(3,008,756)	454,145,659	449,084,596	98.23	4,963,022	454,047,617	99.98
2016-17	447,988,858	(3,797,341)	444,191,516	439,720,330	98.15	4,358,487	444,078,817	99.97
2015-16	438,915,649	(3,411,726)	435,503,923	431,453,800	98.30	3,989,291	435,443,091	99.99
2014-15	429,518,349	(3,763,438)	425,754,911	421,433,519	98.12	4,247,949	425,681,468	99.98
2013-14	412,859,522	(3,128,110)	409,731,412	404,645,803	98.01	5,043,033	409,688,836	99.99
2012-13	396,785,236	(4,690,384)	392,094,852	386,059,866	97.30	5,991,853	392,051,719	99.99

Sources: Maricopa County Treasurer and District records.

Notes: Pursuant to Arizona Revised Statutes, the amount of total primary property taxes levied is limited. Starting in fiscal year 1997-98, the District was required to publish notice of its interest to raise taxes to the levy limit and also to hold a public hearing on this proposal. The levy can grow by 2% each year.

The amounts above represent collections relative to the tax levy period, and will not match amounts presented in the financial statements.

Maricopa County Community College District
Historic Tuition and Fees
Last Ten Fiscal Years

District Historic Tuition and Fees

Fiscal Year	Per Credit Hour: General Tuition	Per Credit Hour: Fees	Per Credit Hour: Combined Total	Annual Cost Per Full-time Student	Increase: Dollars	Increase: Percent
2021-22	$ 85.00	$ -	$ 85.00	$ 2,550.00	$ -	- %
2020-21	85.00	-	85.00	2,550.00	-	-
2019-20	85.00	-	85.00	2,550.00	-	-
2018-19	85.00	-	85.00	2,550.00	(30.00)	(1.16)
2017-18	86.00	-	86.00	2,580.00	-	-
2016-17	86.00	-	86.00	2,580.00	60.00	2.38
2015-16	84.00	-	84.00	2,520.00	-	-
2014-15	84.00	- (4)	84.00	2,520.00	90.00	3.70
2013-14	79.00	2.00	81.00	2,430.00	150.00	6.58
2012-13	74.00	2.00	76.00	2,280.00	-	-

National and Statewide Comparisons
(Based on Full-time Enrollment for the Academic Year)

Fiscal Year	Maricopa District: Annual Cost	Maricopa District: Percent Change	National Community College Average (1): Annual Cost	National Community College Average (1): Percent Change	Arizona Universities Average (3): Annual Cost	Arizona Universities Average (3): Percent Change
2021-22	$ 2,550.00	- %	$ 3,834.00 (2)	9.51 %	$ 11,978.00	0.08 %
2020-21	2,550.00	-	3,501.00	3.67	11,968.00	-
2019-20	2,550.00	-	3,377.00	1.96	11,968.00	3.07
2018-19	2,550.00	(1.16)	3,312.00	2.16	11,611.00	2.21
2017-18	2,580.00	-	3,242.00	2.72	11,360.00	2.73
2016-17	2,580.00	2.38	3,156.00	3.88	11,058.00	2.90
2015-16	2,520.00	-	3,038.00	2.81	10,746.00	3.65
2014-15	2,520.00	3.70	2,955.00	2.53	10,368.00	3.23
2013-14	2,430.00	6.58	2,882.00	3.22	10,044.00	3.81
2012-13	2,280.00	-	2,792.00	5.28	9,675.00	1.57

Source: District records.

Note 1: U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS).

Note 2: Estimates provided by U.S. Department of Education and District Budget Office.

Note 3: Arizona Board of Regents, Tuition History.

Note 4: Effective in fiscal year 2014-15, Student Activity Fees are combined with General Tuition.

Maricopa County Community College District
Schedule of Ratios of Outstanding Debt
Last Ten Fiscal Years
(Dollars in Thousands, except for per capita, per student and per FTSE)

	2022	2021	2020	2019	2018
General Bonded Debt					
General obligation bonds, net	$ 199,635	$ 270,128	$ 337,656	$ 411,089	$ 482,323
Per capita	$ 44.29	$ 60.85	$ 77.31	$ 95.73	$ 114.25
Per student	$ 1,249.26	$ 1,667.23	$ 1,728.97	$ 2,104.08	$ 2,401.29
Per FTSE	$ 3,796.21	$ 4,788.06	$ 5,004.39	$ 6,090.39	$ 6,856.54
Other Debt					
Revenue bonds	$ -	$ -	$ -	$ -	$ -
Capital lease obligations	$ -	$ -	$ -	$ -	$ -
Total outstanding debt	$ 199,635	$ 270,128	$ 337,656	$ 411,089	$ 482,323
Per capita	$ 44.29	$ 60.85	$ 77.31	$ 95.73	$ 114.25
Per student	$ 1,249.26	$ 1,667.23	$ 1,728.97	$ 2,104.08	$ 2,401.29
Per FTSE	$ 3,796.21	$ 4,788.06	$ 5,004.39	$ 6,090.39	$ 6,856.54

	For the Fiscal Year Ended June 30				
	2017	2016	2015	2014	2013
General Bonded Debt					
General obligation bonds, net	$ 552,588	$ 607,995	$ 670,567	$ 731,665	$ 787,567
Per capita	$ 133.57	$ 149.15	$ 167.28	$ 185.47	$ 202.74
Per student	$ 2,736.70	$ 2,950.94	$ 3,114.57	$ 3,232.04	$ 3,309.84
Per FTSE	$ 7,666.85	$ 8,457.53	$ 8,805.87	$ 9,326.04	$ 9,696.95
Other Debt					
Revenue bonds	$ -	$ -	$ -	$ -	$ 410
Capital lease obligations	$ -	$ -	$ -	$ 25	$ 49
Total outstanding debt	$ 552,588	$ 607,995	$ 670,567	$ 731,690	$ 788,026
Per capita	$ 133.57	$ 149.15	$ 167.28	$ 185.48	$ 202.85
Per student	$ 2,736.70	$ 2,950.94	$ 3,114.57	$ 3,232.15	$ 3,311.77
Per FTSE	$ 7,666.85	$ 8,457.53	$ 8,805.87	$ 9,326.36	$ 9,702.60

Source: Annual Comprehensive Financial Reports for years presented, Office of Employment and Population Statistics, and District records.

Maricopa County Community College District
Revenue Bond Coverage
Last Ten Fiscal Years

Fiscal Year	Gross Revenues	Debt Service Requirements Principal	Interest	Total	Coverage Ratio
2021-22	216,854,679	-	-	-	-
2020-21	184,839,419	-	-	-	-
2019-20	241,511,136	-	-	-	-
2018-19	246,392,131	-	-	-	-
2017-18	243,481,566	-	-	-	-
2016-17	241,487,695	-	-	-	-
2015-16	255,975,215	-	-	-	-
2014-15	256,922,245	-	-	-	-
2013-14	259,054,302	-	-	-	-
2012-13	262,851,300	410,000	8,200	418,200	628.5

Source: District records.

Note: Repayment of revenue bond debt is secured by a pledge of a portion of the District's gross revenues as defined by the bond indentures.

The final revenue bond principal and interest payments were made in fiscal year 2014.

Maricopa County Community College District
Computation of Legal Debt Margin
Last Ten Fiscal Years

	Fiscal Year 2021-22	2020-21	2019-20	2018-19	2017-18
Debt Limit	$ 7,308,619,001	6,855,745,472	$ 6,479,148,959	$ 6,063,484,863	$ 5,737,783,687
Total net debt applicable to limit	146,345,369	184,715,000	250,065,000	312,450,000	380,740,000
Legal debt margin	$ 7,162,273,632	$ 6,671,030,472	$ 6,229,083,959	$ 5,751,034,863	$ 5,357,043,687
Total net debt applicable to the limit as a percentage of debt limit	2.00%	2.69%	3.86%	5.15%	6.64%

	Fiscal Year 2016-17	2015-16	2014-15	2013-14	2012-13
Debt Limit	$ 5,420,324,171	$ 5,193,550,548	$ 5,261,946,989	$ 4,834,351,022	$ 5,160,068,357
Total net debt applicable to limit	445,570,000	534,225,000	593,820,000	654,215,000	712,783,980
Legal debt margin	$ 4,974,754,171	$ 4,659,325,548	$ 4,668,126,989	$ 4,180,136,022	$ 4,447,284,377
Total net debt applicable to the limit as a percentage of debt limit	8.22%	10.29%	11.29%	13.53%	13.81%

Legal Debt Margin Calculation for Fiscal Year 2021-22

Secondary Assessed Value of Real and Personal Property	$ 48,724,126,672
Debt Limit, 15% of Secondary Assessed Value	7,308,619,001
Amount of Debt Applicable to Debt Limit:	
General Obligation Bonded Debt	184,715,000
Leases	10,760,369
Amount Available for Debt Repayment	(49,130,000)
Total Debt Applicable to Debt Limit	146,345,369
Legal Debt Margin	$ 7,162,273,632

Note: The Arizona Constitution, Article 9, Section 8, states that a county or school district may become indebted for an amount not to exceed fifteen percent of taxable property. For fiscal year 2021-22, the District was at 0.3%.

Maricopa County Community College District
Schedule of Demographic and Economic Statistics
Last Ten Fiscal Years

Year	County Population	County Personal Income (In Thousands)	County Income per Capita	Phoenix Metro Area Unemployment Rate – June
2022	4,507,419	Not Available (1)	Not Available (1)	3.4 %
2021	4,439,220	268,713,717	59,759	6.6
2020	4,367,835	245,077,753	53,521	9.8
2019	4,294,460	223,097,349	49,663	4.6
2018	4,221,684	210,370,180	47,694	4.2
2017	4,137,076	196,286,191	45,573	4.5
2016	4,076,438	185,111,698	43,628	5.3
2015	4,008,651	175,437,829	42,092	5.4
2014	3,944,859	168,483,421	41,222	6.5
2013	3,884,705	160,537,029	40,003	7.3

Source: Arizona Department of Administration, Office of Employment and Population Statistics at www.azstats.gov, Bureau of Labor Statistics, and Bureau of Economic Analysis.

Notes: All information given for Maricopa County unless otherwise indicated.

Population figures are estimates as of July 1 of each fiscal year.

Amounts obtained are based on estimates which are periodically updated. The numbers provided reflect the most accurate estimates at the time initially presented.

(1) Information not available at date of report. Future data will be added as it becomes available.

Maricopa County Community College District
Top 10 Employers in Maricopa County
(Ranked by the number of full-time equivalent employees in Arizona)
Current Year and Nine Years Ago

	Fiscal Year 2021-22			Fiscal Year 2012-13		
Employer	Number of Full-Time Equivalent Employees in Arizona	Rank	Percentage of Total MSA Employment	Number of Full-Time Equivalent Employees in Arizona	Rank	Percentage of Total MSA Employment
Banner Health	41,435	1	1.68 %	25,126	3	1.30 %
Amazon.com Inc.	40,000	2	1.62	*	*	-
State of Arizona	39,172	3	1.59	52,076	1	2.69
Walmart Inc.	38,309	4	1.55	31,837	2	1.65
Arizona State University	34,421	5	1.39	12,222	8	0.63
Fry's Food Stores	21,012	6	0.85	*	*	-
University of Arizona	19,823	7	0.80	*	*	-
Dignity Health Arizona	16,525	8	0.67	*	*	-
City of Phoenix	15,645	9	0.63	14,983	4	0.77
Wells Fargo & Co.	15,500	10	0.63	13,679	5	0.71
Maricopa County	*		-	13,308	6	0.69
Bank of America	*		-	12,500	7	0.65
Raytheon Co.	*		-	11,500	9	0.59
JP Morgan Chase & Co	*		-	11,407	10	0.59
Total Principal Employers	281,842		11.41 %	198,638		10.27 %
Total Employment in Phoenix-Mesa-Glendale, AZ, Metropolitan Statistical Area as of June 30	2,468,489			1,933,584		

* Employers did not fall within the top 10 for the year identified.

Source: The Business Journal, Book of Lists.

Bureau of Labor Statistics for Phoenix-Mesa-Glendale, AZ, Metropolitan Statistical Area.

Maricopa County Community College District
Employee Statistics
Last Ten Fiscal Years

	For the Fiscal Year Ended June 30				
	2022	**2021**	**2020**	**2019**	**2018**
Faculty					
Part-time	4,739	5,088	4,230	3,550	4,258
Full-time	1,435	1,425	1,458	1,501	1,489
Administrative & support staff					
Part-time	1,729	1,760	1,960	2,035	1,838
Full-time	3,222	3,274	3,222	3,091	2,994
Total employees	11,125	11,547	10,870	10,177	10,579
Students per faculty member	26	25	34	39	35
Students per staff member	32	32	38	38	42
Average class size	21	20	20	20	20

	For the Fiscal Year Ended June 30				
	2017	**2016**	**2015**	**2014**	**2013**
Faculty					
Part-time	4,458	4,822	5,089	5,126	5,306
Full-time	1,476	1,419	1,500	1,592	1,576
Administrative & support staff					
Part-time	1,959	1,965	1,894	126	140
Full-time	2,933	3,024	2,971	3,012	2,951
Total employees	10,826	11,230	11,454	9,856	9,973
Students per faculty member	34	33	33	34	35
Students per staff member	41	41	44	72	77
Average class size	20	20	21	21	21

Source: District records for Integrated Postsecondary Education Data System (IPEDS).

Notes: Data is as of November 1st of the fiscal year.
The method for calculating adjunct faculty changed effective FY2021 to include Active employees per HCM Job Data.
The source for the data changed effective with FY2016 and all prior years have been restated.
The method for calculating part time administrative and support staff changed effective FY2015.

Maricopa County Community College District
Enrollment and Degree Statistics
Last Ten Fiscal Years

Historic Headcount

College/Center	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Phoenix	14,232	14,469	16,807	16,719	17,335	17,100	17,382	17,804	19,008	19,476
Glendale	20,921	20,920	25,913	26,054	27,350	27,263	27,947	29,306	30,926	31,666
GateWay	7,364	7,371	7,776	7,685	7,660	7,876	8,495	9,592	10,444	10,962
Mesa	24,462	25,089	30,236	29,837	30,010	30,154	30,770	33,238	36,054	38,602
Scottsdale	11,583	11,706	13,271	13,022	13,652	14,023	14,760	14,770	15,384	16,527
Rio Salado	30,625	33,734	42,086	41,496	42,716	43,882	45,317	46,836	48,333	52,685
South Mountain	5,243	5,205	6,022	5,877	5,909	5,707	5,772	6,159	6,801	7,338
Chandler-Gilbert	18,291	17,704	20,133	19,552	19,559	19,402	19,040	19,225	19,297	19,791
Paradise Valley	9,286	9,656	11,793	12,170	12,427	12,586	12,516	13,314	14,198	14,380
Estrella Mountain	12,086	11,828	14,262	13,772	13,715	13,080	12,571	12,994	13,009	12,475
Skill Centers	550	913	924	1,005	1,138	1,190	1,461	1,752	1,681	1,748
Adult Basic Education	5,159	3,427	6,070	8,188	9,389	9,655	10,003	10,310	11,244	12,297
Total	159,802	162,022	195,293	195,377	200,860	201,918	206,034	215,300	226,379	237,947

Historic FTSE

College/Center	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Phoenix	4,733	5,136	6,079	6,021	6,396	6,453	6,621	6,753	6,977	7,001
Glendale	7,358	7,756	9,904	10,152	10,799	10,965	11,229	11,799	12,390	12,473
GateWay	2,598	2,660	2,821	2,777	2,953	2,962	3,128	3,310	3,482	3,415
Mesa	8,485	9,315	11,508	11,499	11,438	12,022	12,136	13,148	13,886	14,709
Scottsdale	3,639	4,101	4,480	4,490	4,896	5,053	5,288	5,362	5,622	6,030
Rio Salado	8,208	9,375	11,108	10,543	11,149	11,736	11,518	12,494	12,584	13,815
South Mountain	1,787	1,880	2,246	2,243	2,305	2,278	2,318	2,423	2,586	2,737
Chandler-Gilbert	6,736	6,909	8,042	7,905	7,939	7,968	7,828	7,894	7,936	8,047
Paradise Valley	3,250	3,669	4,300	4,332	4,564	4,749	4,641	4,882	5,109	5,260
Estrella Mountain	4,625	4,842	5,915	5,832	5,799	5,694	5,362	5,522	5,330	4,932
Skill Center	550	463	463	589	759	902	498	1,137	1,220	1,171
Adult Basic Education	619	311	606	1,115	1,347	1,293	1,321	1,426	1,332	1,628
Total	52,588	56,417	67,472	67,498	70,344	72,075	71,888	76,150	78,454	81,218

Degrees and Certificates Awarded

	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Associate of Arts	4,682	4,765	5,553	5,947	5,920	5,409	5,537	5,040	4,947	4,486
Associate of Applied Science	3,389	3,229	3,342	3,167	3,098	3,249	3,273	3,403	3,429	3,115
Associate of Business	824	736	871	895	850	843	955	796	833	723
Associate of General Studies	379	420	594	776	810	617	631	655	690	685
Associate in Science	763	751	1,048	1,044	1,052	931	954	891	825	696
Associate of Transfer Partnership	-	-	-	-	-	-	-	-	-	-
Academic Certificate	78	74	113	121	119	130	145	158	196	121
Certificates of Completion in Occupational Programs	7,426	6,326	8,164	7,264	7,437	7,863	8,728	9,118	9,128	8,550
Arizona General Education Certificate	6,394	6,135	7,446	7,831	7,795	7,235	7,685	6,954	6,812	6,073

Source: District records.

Notes: FTSE refers to Full-Time Student Equivalent which is calculated by dividing total enrollment credit hours per semester by 15 credit hours (the number of hours considered to be a full-time student).

Maricopa County Community College District
Student Enrollment Demographic Statistics
Last Ten Fiscal Years

Fiscal Year	Attendance FT	Attendance PT	Enrollment Status Continuing	Enrollment Status New	Enrollment Status Former	Residency Resident	Residency Out of County	Residency Out of State
2021-22	29 %	71 %	* %	* %	* %	90 %	3 %	7 %
2020-21	32	68	*	*	*	90	3	7
2019-20	31	69	*	*	*	92	3	5
2018-19	31	69	*	*	*	92	3	5
2017-18	32	68	58	25	17	94	2	4
2016-17	32	68	58	25	17	94	2	4
2015-16	27	73	57	25	18	93	3	4
2014-15	28	72	57	25	18	93	3	4
2013-14	28	72	46	39	15	92	3	5
2012-13	28	72	45	40	15	92	3	5

Fiscal Year	Gender M	Gender F	Ethnic Background Native American	Ethnic Background Asian	Ethnic Background African American	Ethnic Background Hispanic	Ethnic Background Anglo	Ethnic Background Other	Median Age
2021-22	41 %	59 %	2 %	5 %	6 %	37 %	43 %	7 %	21
2020-21	40	60	2	4	6	36	44	8	21
2019-20	42	58	2	4	6	36	43	9	21
2018-19	43	57	2	5	6	35	44	8	21
2017-18	43	57	2	5	7	33	43	10	21
2016-17	44	56	3	5	8	29	45	10	21
2015-16	44	56	3	5	8	27	47	10	21
2014-15	44	56	3	5	8	26	48	10	22
2013-14	44	56	3	5	8	25	50	9	22
2012-13	44	56	3	5	9	23	51	9	22

Source: District records.

Note: * Data for breakdown of enrollment status is not currently available, but will be updated when it is available.

Maricopa County Community College District
Schedule of Capital Asset Information
Last Ten Fiscal Years

Location	Fiscal Year 2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Phoenix										
Total Square Footage	778,700	778,700	778,700	778,700	778,700	759,403	759,403	753,589	753,589	763,792
Total Acreage	66.0	66.0	66.0	66.0	66.0	66.0	66.0	66.0	65.7	65.7
Glendale										
Total Square Footage	810,831	810,831	810,831	810,831	810,831	834,028	832,028	809,889	809,889	820,986
Total Acreage	313.0	313.0	313.0	313.0	313.0	313.0	313.1	313.1	314.0	314.0
GateWay										
Total Square Footage	554,129	554,129	554,129	554,129	554,868	532,697	532,697	532,697	532,697	532,697
Total Acreage	43.1	43.1	43.1	43.1	43.1	43.1	43.1	43.1	42.0	42.0
Mesa										
Total Square Footage	1,046,271	1,046,271	1,046,271	1,046,271	1,046,271	1,036,593	1,036,593	1,019,257	998,333	998,333
Total Acreage	248.6	248.6	248.6	248.6	248.6	248.6	248.6	248.6	248.9	248.9
Scottsdale										
Total Square Footage	594,451	594,451	594,451	594,451	595,890	564,437	564,437	563,937	570,943	566,167
Total Acreage	162.2	162.2	162.2	162.2	162.2	162.2	162.2	162.2	168.0	168.0
Rio Salado										
Total Square Footage	435,544	435,544	435,544	435,544	435,544	435,544	462,521	465,521	465,521	439,909
Total Acreage	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.0	31.0
South Mountain										
Total Square Footage	352,484	352,484	352,484	352,484	352,484	302,010	302,010	302,010	302,010	301,490
Total Acreage	148.3	148.3	148.3	148.3	148.3	148.3	148.3	142.9	148.8	148.8
Chandler-Gilbert										
Total Square Footage	672,845	672,845	672,845	672,845	670,325	670,325	666,825	654,380	654,380	580,329
Total Acreage	189.8	189.8	189.8	189.8	189.8	189.8	189.8	189.8	189.3	185.3
Paradise Valley										
Total Square Footage	470,230	470,230	463,320	463,320	463,320	463,320	463,320	440,203	440,203	428,356
Total Acreage	175.9	175.9	175.9	175.9	175.9	175.9	175.9	175.9	171.0	171.0
Estrella Mountain										
Total Square Footage	406,447	406,447	360,039	360,039	360,039	360,039	360,039	333,229	333,229	281,973
Total Acreage	221.1	221.1	221.1	221.1	221.1	221.1	221.1	221.1	216.0	216.0
District Services Support Center										
Total Square Footage	296,483	296,483	296,483	296,483	296,483	296,483	296,483	296,483	296,483	296,483
Total Acreage	11.7	11.7	11.7	11.7	11.7	11.7	11.7	11.7	12.1	12.1
Totals for District:										
Total Square Footage	6,418,415	6,418,415	6,365,097	6,365,097	6,364,755	6,254,879	6,276,356	6,171,195	6,157,277	6,010,515
Total Acreage	1,611.1	1,611.1	1,611.1	1,611.1	1,611.1	1,611.1	1,611.2	1,605.8	1,606.8	1,602.8

Source: District records.

Annual Comprehensive Financial Report
Published and distributed by the District Support Services Center, Business Services Division
2411 West 14th Street, Tempe, Arizona 85281-6942
http://www.maricopa.edu
(480) 731-8100

The Maricopa Community College District does not discriminate, nor tolerate discrimination, on the basis of race, color, religion, gender, sexual orientation, gender identity, national origin, citizenship status, age, disability, veteran status, or genetic information in employment or in the application, admission, participation, access, and treatment of persons in instructional programs, activities, and employment practices.