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**MOHAVE COUNTY COMMUNITY
COLLEGE DISTRICT**

**REPORT ON AUDIT OF ANNUAL
BUDGETED EXPENDITURE LIMITATION
REPORT**

YEAR ENDED JUNE 30, 2012

MOSS ADAMS LLP

Certified Public Accountants | Business Consultants

Acumen. Agility. Answers.

**Mohave County Community College District
Report on Audit of Annual Budgeted
Expenditure Limitation Report
Year Ended June 30, 2012**

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Report of Independent Auditors

To the Governing Board of
Mohave County Community College District, Kingman, Arizona
and
The Auditor General of the State of Arizona

We have audited the accompanying Annual Budgeted Expenditure Limitation Report of Mohave County Community College District (District) for the year ended June 30, 2012. This report is the responsibility of the District's management. Our responsibility is to express an opinion on this report based on our audit.

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

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

In our opinion, the Annual Budgeted Expenditure Limitation Report of Mohave County Community College District for the year ended June 30, 2012, referred to above presents fairly, in all material respects, the information required by the uniform expenditure reporting system on the basis of accounting described in Note 1.

This report is intended solely for the information and use of the members of the Arizona State Legislature, the Governing Board, management, and for filing with the Auditor General of the State of Arizona, and is not intended to be or should not be used by anyone other than these specified parties.

Moss Adams LLP

Albuquerque, New Mexico
February 18, 2013

**MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT
Annual Budgeted Expenditure Limitation Report—Part I
Year Ended June 30, 2012**

1. Economic Estimates Commission expenditure limitation		\$ 36,395,014
2. Total amount subject to the expenditure limitation (from Part II, Line C)		\$ 36,902,535
3. Less expenditures of monies received pursuant to Arizona Revised Statutes s15-1472 (workforce development)	507,521	
4. Adjusted amount subject to the expenditure limitation		36,395,014
5. Amount under the expenditure limitation		\$ -

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

Signature of Chief Fiscal Officer: _____

Name and Title: H. Lynn Cundiff, Vice President for Administration

Telephone Number: (928) 692-3095

Date: _____

MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT
Annual Budgeted Expenditure Limitation Report—Part II
Year Ended June 30, 2012

Description	Current Funds			Plant Funds		Total
	Unrestricted			Unexpended	Retirement of Indebtedness	
	General	Auxiliary Enterprises	Restricted			
A. Total budgeted expenditures	\$ 36,663,091	\$ 1,061,584	\$ 15,646,882	\$ 981,907	\$ 261,451	\$ 54,614,915
B. Less exclusions claimed:						
Debt service requirements on bonded indebtedness (Note 2)					145,058	145,058
Debt service requirements on other long-term obligations (Note 2)				145,777	115,393	261,170
Dividends, interest, and gains on the sale or redemption of investment securities (Note 3)	7,272			139	-	7,411
Grants and aid from the federal government (Note 4)	21,532		12,580,433			12,601,965
Grants, aid, contributions, or gifts from a private agency, organization, or individual except amounts received in lieu of taxes (Note 5)			839,704	835,991		1,675,695
Tuition and fees (Note 6)	1,926,826	1,057,928	8,114			2,992,868
Refunds, reimbursements, and other recoveries (Note 7)	28,213					28,213
Total Exclusions claimed	1,983,843	1,057,928	13,428,251	981,907	260,451	17,712,380
C. Amounts subject to the expenditure limitation	\$ 34,679,248	\$ 3,656	\$ 2,218,631	\$ -	\$ 1,000	\$ 36,902,535

MOHAVE COUNTY COMMUNITY COLLEGE DISTRICT
Notes to Annual Budgeted Expenditure Limitation Report—Part II
Year Ended June 30, 2012

Note 1 Summary of Significant Accounting Policies

The Annual Budgeted Expenditure Limitation Report (ABELR) is presented on the basis of accounting prescribed by the uniform expenditure reporting system (UERS), as required by Arizona Revised Statutes (A.R.S. s41-1279.07, which excludes expenditures of certain revenues specified in the Arizona Constitution, Article IX, s21 from the total budgeted expenditures.

The information reported in both the ABELR and the financial statements is derived from the same underlying accounting data. However, the formats of the ABELR and the financial statements differ. The ABELR presents budgeted expenditures, exclusions, and amounts subject to the limitation by fund type as required by A.R.S. s41-1279.07. The financial statements present the net assets, changes in net assets, and cash flows for the District as a whole in accordance with U S. generally accepted accounting principles.

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

Note 2 Exclusions claimed for debt service requirements on bonded indebtedness and debt service requirements on other long-term obligations are \$145,058 and \$261,170, respectively. The total amount is included in the amount reported as principal paid on capital debt and interest paid on capital debt on the Statement of Cash Flows--Primary Government.

Note 3 Exclusions claimed for dividends, interest, and gains on the sale or redemption of investment securities of \$7,411 were reported in the Statement of Revenues, Expenses, and Changes in Net Assets--Primary Government.

Note 4 The exclusion claimed for grants and aid from the federal government of \$21,532 and \$12,580,433, respectively, was reported as governmental grant revenue in the Statement of Revenues, Expenses, and Changes in Net Assets - primary government

Note 5 The following schedule presents revenues from which exclusions have been claimed for grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes.

Statement of Revenues, Expenses, and Changes in Net Assets--Primary Government:	ABELR:		
Private grants and contracts	\$ <u>2,729,704</u>	Grants, aid, contributions, or gifts from a private agency, organization, or individual except amounts received in lieu of taxes	\$ <u>1,675,695</u>
Total	\$ <u>2,729,704</u>	Total exclusion claimed	\$ <u>1,675,695</u>

The remaining \$1,054,009 in private grants and contracts are nonexcludable.

Note 6 The District does not budget tuition and fees revenues net of scholarship allowances. Of the gross tuition and fees of \$11,359,365 reported on the Statement of Revenues, Expenses and Changes in Net Assets - Primary Government, only \$2,992,868 was expended and claimed as an exclusion. The remaining \$8,366,497 has been carried forward to future years.

Note 7 The exclusion claimed for refunds, reimbursements, and other recoveries of \$28,213 was reported as other operating revenues - other on the Statement of Revenues, Expenses, and Changes in Net Assets - Primary Government. The remaining other operating revenues of \$16,818 are nonexcludable.