



A REPORT
TO THE
ARIZONA LEGISLATURE

Financial Audit Division

Expenditure Limitation Report

**Navajo County
Community College
District**

(Northland Pioneer College)
Year Ended June 30, 2015



Debra K. Davenport
Auditor General

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Navajo County Community College District
(Northland Pioneer College)
Annual Budgeted Expenditure Limitation Report
Year Ended June 30, 2015

Table of Contents	Page
Independent Accountants' Report	1
Annual Budgeted Expenditure Limitation Report—Part I	3
Annual Budgeted Expenditure Limitation Report—Part II	4
Notes to Annual Budgeted Expenditure Limitation Report	5



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

MELANIE M. CHESNEY
DEPUTY AUDITOR GENERAL

Independent Accountants' Report

Members of the Arizona State Legislature

The Governing Board of
Navajo County Community College District

We have examined the accompanying Annual Budgeted Expenditure Limitation Report of Navajo County Community College District for the year ended June 30, 2015. The District's management is responsible for this report. Our responsibility is to express an opinion on this report based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the amounts and disclosures in the report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the Annual Budgeted Expenditure Limitation Report referred to above presents, in all material respects, the information prescribed by the uniform expenditure reporting system as described in Note 1.

Jay Zsorey, CPA
Financial Audit Director

January 29, 2016

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Navajo County Community College District
(Northland Pioneer College)
Annual Budgeted Expenditure Limitation Report—Part I
Year Ended June 30, 2015

1. Economic Estimates Commission expenditure limitation		\$13,412,368
2. Total amount subject to the expenditure limitation (from Part II, Line C)	\$13,835,450	
3. Less expenditures of monies received pursuant to Arizona Revised Statutes (A.R.S.) §15-1472 (workforce development)	<u>423,082</u>	
4. Adjusted amount subject to the expenditure limitation		<u>13,412,368</u>
5. Amount under the expenditure limitation		<u>\$ -</u>

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

Signature of Chief Fiscal Officer: _____

Name and Title: Maderia Ellison, Interim Vice President for Administrative Services

Telephone Number: (928) 524-7440 Date: January 29, 2016

See accompanying notes to report.

Navajo County Community College District
(Northland Pioneer College)
Annual Budgeted Expenditure Limitation Report—Part II
Year Ended June 30, 2015

Description	Current Funds			Plant Funds	Total
	Unrestricted		Restricted	Unexpended	
	General	Auxiliary Enterprises			
A. Total budgeted expenditures	\$ 23,701,892	\$ 389,031	\$ 4,333,735	\$ 2,389,969	\$ 30,814,627
B. Less exclusions claimed:					
Debt service requirements on other long-term obligations	22,251				22,251
Dividends, interest, and gains on the sale or redemption of investment securities	160,532				160,532
Grants and aid from the federal government (Note 2)			4,033,019		4,033,019
Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes (Note 3)			300,716		300,716
Amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements (Note 4)				1,262,070	1,262,070
Contracts with other political subdivisions (Note 2)	5,078,305				5,078,305
Tuition and fees (Note 5)	5,116,505				5,116,505
Refunds, reimbursements, and other recoveries (Note 6)	11,599				11,599
Prior years carryforward (Note 7)	994,180				994,180
Total exclusions claimed	<u>11,383,372</u>		<u>4,333,735</u>	<u>1,262,070</u>	<u>16,979,177</u>
C. Amounts subject to the expenditure limitation	<u>\$ 12,318,520</u>	<u>\$ 389,031</u>	<u>\$ -</u>	<u>\$ 1,127,899</u>	<u>\$ 13,835,450</u>

See accompanying notes to report.

Navajo County Community College District
(Northland Pioneer College)
Notes to Annual Budgeted Expenditure Limitation Report
Year Ended June 30, 2015

Note 1 - Summary of Significant Accounting Policies

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

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

In accordance with 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 - The following schedule presents revenues from which exclusions have been claimed for grants and aid from the federal government and contracts with other political subdivisions:

Statement of Revenues, Expenses, and Changes in Net Position—Primary Government:		Annual Budgeted Expenditure Limitation Report:	
Government contracts	\$ 3,283,218	Grants and aid from the federal government	\$ 4,033,019
Government grants	4,728,837	Contracts with other political subdivisions	<u>5,078,305</u>
State appropriations	<u>7,276,900</u>	Total exclusions claimed	<u>9,111,324</u>
		Other revenues (nonexcludable)	5,802,231
		Amount carried forward	<u>375,400</u>
Total	<u>\$15,288,955</u>	Total	<u>\$15,288,955</u>

Note 3 - The exclusion claimed for grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes, consists of \$297,567 in private scholarships and \$3,149 in other contributions reported on the Statement of Revenues, Expenses and Changes in Net Position—Primary Government as private grants and other operating revenues, respectively.

Navajo County Community College District
 (Northland Pioneer College)
 Notes to Annual Budgeted Expenditure Limitation Report
 Year Ended June 30, 2015

Note 4 - Of the \$1,917,793 reported as purchase and construction of capital assets on the Statement of Cash Flows—Primary Government, \$1,262,070 was expended from amounts authorized and accumulated for the purchase of land, and the purchase or construction of buildings or improvements and was, therefore, claimed as an exclusion.

Note 5 - The District does not budget tuition and fees revenues net of scholarship allowances. Gross tuition and fees of \$5,116,505 reported on the Statement of Revenues, Expenses, and Changes in Net Position—Primary Government were expended and claimed as a tuition and fees exclusion.

Note 6 - Amounts claimed as an exclusion from refunds, reimbursements, and other recoveries include insurance loss recoveries of \$11,599.

Note 7 - Prior years carryforward consists of constitutionally excludable revenues unexpended in the year of receipt that have been accumulated and were expended in the current year as follows:

Description	Current General Fund
Tuition and fees	<u>\$994,180</u>
Total prior years carryforward expended	<u>\$994,180</u>

