

# Pinal County Community College District (Central Arizona College)

Annual Budgeted Expenditure  
Limitation Report

Year Ended June 30, 2020

A Report to the Arizona Legislature

Lindsey A. Perry  
Auditor General





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## Audit Staff

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LINDSEY A. PERRY  
AUDITOR GENERAL

ARIZONA  
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## Independent accountants' report

Members of the Arizona State Legislature

The Governing Board of  
Pinal County Community College District

We have examined the accompanying Annual Expenditure Limitation Report (report) of Pinal County Community College District for the year ended June 30, 2020, and the related notes to the report. The District's management is responsible for presenting this report in accordance with the Uniform Expenditure Reporting System as described in Note 1. Our responsibility is to express an opinion on this report based on our examination.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether this report is presented in accordance with the Uniform Expenditure Reporting System in all material respects. An examination involves performing procedures to obtain evidence about the amounts and disclosures in the report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the report, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, the Annual Budgeted Expenditure Limitation Report referred to above is presented in accordance with the Uniform Expenditure Reporting System as described in Note 1 in all material respects.

*Stephanie Gerber*

Stephanie Gerber, CPA  
Director, Financial Audit Division

August 10, 2022

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

|                                                                                        |                   |
|----------------------------------------------------------------------------------------|-------------------|
| 1. Economic Estimates Commission expenditure limitation                                | \$42,636,737      |
| 2. Amount subject to the expenditure limitation<br>(total amount from part II, line C) | <u>42,636,736</u> |
| 3. Amount under the expenditure limitation                                             | \$ <u>1</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: Chris Wodka, Vice President of Finance and Administration

Telephone number: (520) 494-5230 Date: August 10, 2022

See accompanying notes to report.

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

| Description                                                                                                                                                             | Current funds        |                       |                   | Plant funds         |                            | Total                |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------|-------------------|---------------------|----------------------------|----------------------|
|                                                                                                                                                                         | Unrestricted         |                       | Restricted        | Unexpended          | Retirement of indebtedness |                      |
|                                                                                                                                                                         | General              | Auxiliary enterprises |                   |                     |                            |                      |
| A. Total budgeted expenditures                                                                                                                                          | \$ 41,097,000        | \$ 5,128,000          | \$ 15,847,004     | \$ 4,115,000        | \$ 9,450,640               | \$ 75,637,644        |
| B. Less exclusions claimed:                                                                                                                                             |                      |                       |                   |                     |                            |                      |
| Debt service requirements (Note 2)                                                                                                                                      | 71,404               |                       |                   | 405,871             | 6,202,400                  | 6,679,675            |
| Dividends, interest, and gains on the sale or redemption of investment securities (Note 2)                                                                              | 720,796              |                       |                   | 587,291             | 89,515                     | 1,397,602            |
| Grants, aid, or contributions from the federal government, the State of Arizona, other political subdivisions, tribal governments, or special taxing districts (Note 3) |                      |                       | 14,293,327        |                     |                            | 14,293,327           |
| Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes                                       |                      |                       | 337,186           |                     |                            | 337,186              |
| Tuition and fees (Notes 2 and 4)                                                                                                                                        | 2,309,683            | 5,031,626             |                   |                     | 2,281,700                  | 9,623,009            |
| Amounts received from the State of Arizona for workforce development in accordance with A.R.S. §15-1472 (Note 5)                                                        |                      |                       | 571,106           |                     |                            | 571,106              |
| Prior years carryforward (Note 2)                                                                                                                                       |                      |                       | 99,003            |                     |                            | 99,003               |
| Total exclusions claimed                                                                                                                                                | <u>3,101,883</u>     | <u>5,031,626</u>      | <u>15,300,622</u> | <u>993,162</u>      | <u>8,573,615</u>           | <u>33,000,908</u>    |
| C. Amounts subject to the expenditure limitation                                                                                                                        | <u>\$ 37,995,117</u> | <u>\$ 96,374</u>      | <u>\$ 546,382</u> | <u>\$ 3,121,838</u> | <u>\$ 877,025</u>          | <u>\$ 42,636,736</u> |

See accompanying notes to report.

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

**Note 1 - Summary of significant accounting policies**

The Annual Budgeted Expenditure Limitation Report (ABELR) is presented as prescribed by the Uniform Expenditure Reporting System (UERS), as required by Arizona Revised Statutes (A.R.S.) §41-1279.07. The ABELR excludes expenditures of certain revenues specified in the Arizona Constitution, Article IX, §21, and A.R.S. §§15-792.03, 15-795.01, 15-1472, and 15-1444, as applicable, from the total budgeted expenditures.

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

In accordance with 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**

Of the \$9,048,375 reported as principal and interest paid on capital debt on the statement of cash flows—primary government and \$2,515 paid for trustee fees reported as instruction expenses on the statement of revenues, expenses, and changes in net position—primary government, \$6,679,675 was excluded as debt service requirements, \$2,281,700 was excluded as tuition and fees, and \$89,515 as dividends, interest and gains on the sale or redemption of investment securities.

**Note 3**

Of the \$14,415,666 reported as Government grants on the statement of revenues, expenses and changes in net position—primary government, \$14,293,327 was expended and claimed as an exclusion. The remaining \$122,339 has been carried forward to future years.

**Note 4**

Of the \$551,211 reported as Private grants and gifts on the statement of revenues, expenses and changes in net position—primary government, \$337,186 was expended and claimed as an exclusion.

**Note 5**

The District does not budget tuition and fees revenue net of scholarship allowances. Of the gross tuition and fees and dormitory rental and fees of \$9,755,998, and \$171,988 of bookstore revenue reported as other revenues on the statement of revenues, expenses, and changes in net position—primary government, \$7,341,309 was expended and claimed as an exclusion and \$2,281,700 was used to pay debt service requirements. The remaining \$304,977 has been carried forward to future years.

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

**Note 6**

Amounts received from the State of Arizona for workforce development in accordance with A.R.S. §15-1472 are reported as the share of State sales taxes on the statement of revenues, expenses, and changes in net position—primary government. Of these excludable revenues, only \$571,106 was expended and claimed as an exclusion. The remaining \$234,165 has been carried forward to future years.

**Note 7**

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

| <b>Description</b>                         | <b>Current<br/>restricted<br/>fund</b> |
|--------------------------------------------|----------------------------------------|
| Grants and aid from the federal government | \$96,374                               |
| Private grants and aid                     | <u>2,629</u>                           |
| Total prior years carryforward expended    | <u>\$99,003</u>                        |



