



REPORT HIGHLIGHTS
FINANCIAL STATEMENT AND
SINGLE AUDITS

Our Conclusion

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

Based on our audits, we issued a report that included our opinion on the District's financial statements and its schedule of expenditures of federal awards, and reports on its internal control and compliance over financial reporting and major federal programs. The information in the District's fiscal year 2014 financial statements and schedule of federal awards is reliable. Our reports on internal control and compliance did not include any reported deficiencies in the District's internal control or compliance over financial reporting and major federal programs.



2014

Year Ended June 30, 2014

Condensed financial information

Statement of net position—This statement reports all of the District's assets, liabilities, and net position. Net position is reported in the following three major categories:

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

Statement of revenues, expenses, and changes in net position—This statement reports all revenues, expenses, and other changes in net position. Revenues and expenses are reported as either operating or nonoperating. The change in net position indicates whether the District's financial health has improved or deteriorated as a result of the current-year activities. During fiscal year 2014, net position increased by \$3.2 million, or 3 percent, as compared to an increase of \$2.8 million, or 3 percent, in fiscal year 2013.

Schedule of expenditures of federal awards—During fiscal year 2014, the District expended \$21.4 million in federal awards, which consisted primarily of student financial assistance. This included \$15.5 million that was spent as educational and general operating expenses and \$5.9 million that was disbursed as loans to students. The District's federal award expenditures decreased by \$2.7 million, or 11 percent, compared to fiscal year 2013.

**Condensed statement of net position
As of June 30, 2014
(In thousands)**

Assets	
Current assets	\$ 45,476
Noncurrent, other than capital	2,468
Capital assets, net of depreciation	<u>163,804</u>
Total assets	<u>211,748</u>
Liabilities	
Current	8,842
Noncurrent	<u>99,696</u>
Total liabilities	<u>108,538</u>
Net position	
Net investment in capital assets	60,213
Restricted	5,813
Unrestricted	<u>37,184</u>
Total net position	<u>\$103,210</u>

**Condensed statement of revenues,
expenses, and changes in net position
For the year ended June 30, 2014
(In thousands)**

Operating revenues	
Tuition and fees, net of scholarship allowances	\$ 5,275
Other	<u>931</u>
Total operating revenues	<u>6,206</u>
Operating expenses	
Educational and general	58,790
Auxiliary enterprises	1,082
Depreciation	<u>5,358</u>
Total expenses	<u>65,230</u>
Operating loss	(59,024)
Nonoperating revenues and expenses	
Property taxes	46,906
State appropriations	2,393
Government grants	16,386
Other	965
Interest expense	<u>(4,383)</u>
Net nonoperating revenues	<u>62,267</u>
Increase in net position	3,243
Net position—beginning	<u>99,967</u>
Net position—ending	<u>\$103,210</u>

**Condensed schedule of expenditures
of federal awards by grantor agency
For the year ended June 30, 2014
(In thousands)**

Department of Education	\$20,276
Department of Labor	1,022
Other	<u>67</u>
Total federal expenditures	<u>\$21,365</u>

