

# Yavapai County Community College District

Annual Budgeted Expenditure  
Limitation Report

Year Ended June 30, 2021



A Report to the Arizona Legislature

Lindsey A. Perry  
Auditor General





The Arizona Auditor General's mission is to provide independent and impartial information and specific recommendations to improve the operations of State and local government entities. To this end, the Office provides financial audits and accounting services to the State and political subdivisions, investigates possible misuse of public monies, and conducts performance audits and special reviews of school districts, State agencies, and the programs they administer.

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## Audit Staff

**Donna Miller**, Director

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LINDSEY A. PERRY  
AUDITOR GENERAL

ARIZONA  
AUDITOR GENERAL

MELANIE M. CHESNEY  
DEPUTY AUDITOR GENERAL

## Independent accountants' report

Members of the Arizona State Legislature

The Governing Board of  
Yavapai County Community College District

We have examined the accompanying Annual Budgeted Expenditure Limitation Report of Yavapai County Community College District for the year ended June 30, 2021, 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.

*Donna Miller*

Donna Miller, CPA  
Director, Financial Audit Division

February 28, 2022

**Yavapai County Community College District  
(Yavapai College)  
Annual Budgeted Expenditure Limitation Report—Part I  
Year ended June 30, 2021**

1. Economic Estimates Commission expenditure limitation	\$49,097,736
2. Total amount subject to the expenditure limitation (from Part II, Line C)	<u>49,097,736</u>
3. Amount under the expenditure limitation	<u>\$ 0</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: *Clint Ewell*

Name and title: Clint Ewell, Vice President of Finance and Administrative Services

Telephone number: (928) 776-2110 Date: February 28, 2022

See accompanying notes to report.

**Yavapai County Community College District  
(Yavapai College)  
Annual Budgeted Expenditure Limitation Report—Part II  
Year ended June 30, 2021**

Description	Current funds			Plant funds		Total
	Unrestricted		Restricted	Unexpended	Retirement of indebtedness	
	General	Auxiliary enterprises				
A. Total budgeted expenditures	\$ 49,234,600	\$ 5,089,000	\$ 13,831,000	\$ 10,405,500	\$ 4,129,900	\$ 82,690,000
B. Less exclusions claimed:						
Debt service requirements (Note 2)					4,122,468	4,122,468
Dividends, interest, and gains on the sale or redemption of investment securities	38,762			24,036	3,646	66,444
Grants, aid, or contributions from the federal government, the State of Arizona, other political subdivisions, tribal governments, or special taxing districts (Note 3)		63,858	11,551,642			11,615,500
Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes (Note 4)	62,749	775,547	867,269	300,000		2,005,565
Amounts accumulated for purchases of land, and the purchase or construction of buildings or improvements (Note 5)				7,544,198		7,544,198
Tuition and fees (Note 6)	5,928,968	752,446				6,681,414
Amounts earned through research and entrepreneurial activities (Note 6)	97,559	385,049				482,608
Amounts received from the State of Arizona on workforce development in accordance with A.R.S. §15-1472 (Note 7)			329,520			329,520
Prior years carryforward (Note 8)				744,547		744,547
Total exclusions claimed	<u>6,128,038</u>	<u>1,976,900</u>	<u>12,748,431</u>	<u>8,612,781</u>	<u>4,126,114</u>	<u>33,592,264</u>
C. Amounts subject to the expenditure limitation	<u>\$ 43,106,562</u>	<u>\$ 3,112,100</u>	<u>\$ 1,082,569</u>	<u>\$ 1,792,719</u>	<u>\$ 3,786</u>	<u>\$ 49,097,736</u>

See accompanying notes to report.

**Yavapai County Community College District  
(Yavapai College)  
Notes to Annual Budgeted Expenditure Limitation Report  
Year ended June 30, 2021**

**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 by the Arizona Constitution, Article IX, §21, and A.R.S. §§15-792.03, 15-795.01, 15-1444, and 15-1472, 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 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 on the annual financial statements.

**Note 2**

The exclusion claimed for debt service requirements includes the amounts reported as principal and interest paid on capital debt on the statement of cash flows—primary government.

**Note 3**

Of the \$13,582,961 reported as government grants on the statement of revenues, expenses, and changes in net position—primary government, only \$11,615,500 was expended and claimed as an exclusion for grants, aid, or contributions from the federal government, the State of Arizona, other political subdivisions, tribal governments, or special taxing districts. Revenues of \$1,967,461 have been carried forward to future years.

**Note 4**

Of the combined \$2,006,404 reported as private grants and gifts and capital grants and gifts on the statement of revenues, expenses, and changes in net position—primary government, \$2,005,565 was expended and claimed as an exclusion for grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes. The remaining \$839 was not excludable revenue.

**Note 5**

The District claimed an exclusion of \$7,544,198 for amounts accumulated for the purchase of land and the purchase or construction of buildings or improvements. This amount is included as part of the \$9,887,384 reported as purchases of capital assets on the statement of cash flows—primary government.

**Yavapai County Community College District  
(Yavapai College)  
Notes to Annual Budgeted Expenditure Limitation Report  
Year ended June 30, 2021**

**Note 6**

The District does not budget tuition and fees and dormitory rental revenues net of scholarship allowances. The following schedule presents revenues from which exclusions have been claimed for tuition and fees and amounts earned through research and entrepreneurial activities, which are included in other revenues:

**Statement of revenues, expenses and changes in net position—primary government:**

Tuition and fees (gross)	\$10,467,520
Dormitory rentals (gross)	354,765
Bookstore income	74,540
Other operating revenues	<u>487,994</u>
Total	<u>\$11,384,819</u>

**Annual budgeted expenditure limitation report:**

Tuition and fees	\$ 6,681,414
Amounts earned through research and entrepreneurial activities	482,608
Other revenues (nonexcludable)	14,286
Unspent revenues carried forward	<u>4,206,511</u>
Total	<u>\$11,384,819</u>

**Note 7**

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 \$329,520 was expended and claimed as an exclusion. The remaining \$702,391 has been carried forward to future years.

**Note 8**

Prior years carryforward consists of constitutionally excludable revenues in the year of receipt that have been accumulated and were expended in the current year. The \$744,547 was unspent tuition and fees that was transferred to the unexpended plant fund and was expended and claimed as an exclusion.



