

**COCHISE COUNTY COMMUNITY
COLLEGE DISTRICT
REPORT ON AUDIT OF ANNUAL
BUDGETED EXPENDITURE
LIMITATION REPORT
YEAR ENDED JUNE 30, 2003**

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
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HEINFELD, MEECH & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

The Auditor General of the State of Arizona

Governing Board of
Cochise County Community College District

We have audited the accompanying Annual Budgeted Expenditure Limitation Report of Cochise County Community College District for the year ended June 30, 2003. This report is the responsibility of the Cochise County Community College 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 Cochise County Community College District, for the year ended June 30, 2003, 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 and the Governing Board, and for filing with the Auditor General of the State of Arizona and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Heinfeld, Meech & Co., P.C.

HEINFELD, MEECH & CO., P.C.
Certified Public Accountants

February 5, 2004

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT - PART I
YEAR ENDED JUNE 30, 2003**

1. Economic Estimates Commission expenditure limitation		\$22,544,097
2. Total amount subject to the expenditure limitation (from Part II, Line C)	\$22,898,101	
3. Less expenditures of monies received pursuant to Arizona Revised Statutes §15-1472 (workforce development)	<u>354,005</u>	
4. Adjusted amount subject to the expenditure limitation		<u>22,544,096</u>
5. 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: Michael J. Carter, Ph.D., CPA, Vice President for Administration

Telephone Number: (520) 417-4007 Date: February 5, 2004

See accompanying notes to report.

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT - PART II
YEAR ENDED JUNE 30, 2003**

<u>Description</u>	Current Funds			Plant Funds		
	Unrestricted	Auxiliary	Restricted	Unexpended	Retirement of Indebtedness	
	General	Enterprises				Total
A. Budeted expenditures	\$ 20,891,079	\$ 1,333,266	\$ 7,511,023	\$ 527,773	\$ 301,408	\$ 30,564,549
B. Less exclusions claimed:						
1. Debt service requirements on other long-term obligations (Note 2)		211,058	6,753,079		301,408	301,408
2. Grants and aid from the Federal government (Note 3)	129,976	845	270,082			6,964,137
3. Contracts with other political subdivisions (Note 3)	129,976	211,903	7,023,161		301,408	400,903
4. Total exclusions claimed	\$ 20,761,103	\$ 1,121,363	\$ 487,862	\$ 527,773	\$	\$ 22,898,101
C. Amount subject to the expenditure limitation						

See accompanying notes to report.

**COCHISE COUNTY COMMUNITY COLLEGE DISTRICT
NOTES TO ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30, 2003**

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.) Section 41-1279.07, which excludes expenditures of certain revenues specified in the Arizona Constitution, Article IX, Section 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 limitation by fund type as required by A.R.S. section 41-1279.07. The financial statements present the net assets, changes in the net assets and cash flows for the District as a whole in accordance with accounting principles generally accepted in the United States of America.

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

NOTE 2 - The exclusion claimed for debt service requirements on other long-term obligations of \$301,408 is reported in the Statement of Cash Flows as principal and interest paid on capital debt.

NOTE 3 - The exclusions claimed for grants and aid from the federal government of \$6,964,137, and contracts with other political subdivisions of \$400,903, are reported in the Statement of Revenues, Expenses and Changes in Net Assets as government grants and contracts and private grants and contracts revenues.