



A REPORT  
TO THE  
ARIZONA LEGISLATURE

Financial Audit Division

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Expenditure Limitation Report

**Graham County  
Community College  
District**

(Eastern Arizona College)

Year Ended June 30, 2014

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**Debra K. Davenport**  
Auditor General

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Graham County Community College District  
(Eastern Arizona College)  
Annual Budgeted Expenditure Limitation Report  
Year Ended June 30, 2014

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**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  
Graham County Community College District

We have examined the accompanying Annual Budgeted Expenditure Limitation Report of Graham County Community College District for the year ended June 30, 2014. 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

August 27, 2015

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Graham County Community College District  
(Eastern Arizona College)  
Annual Budgeted Expenditure Limitation Report—Part I  
Year Ended June 30, 2014

1. Economic Estimates Commission expenditure limitation		\$37,255,771
2. Total amount subject to the expenditure limitation (from Part II, Line C)	\$32,454,210	
3. Less expenditures of monies received pursuant to Arizona Revised Statutes (A.R.S.) §15-1472 (workforce development)	<u>491,059</u>	
4. Adjusted amount subject to the expenditure limitation		<u>31,963,151</u>
5. Amount under the expenditure limitation		<u>\$ 5,292,620</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: Timothy Curtis, Chief Business Officer

Telephone Number: (928) 428-8220 Date: August 27, 2015

See accompanying notes to report.

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Graham County Community College District  
(Eastern Arizona College)  
Annual Budgeted Expenditure Limitation Report—Part II  
Year Ended June 30, 2014

Description	Current Funds			Unexpended Plant Fund	Total
	Unrestricted		Restricted		
	General	Auxiliary Enterprises			
A. Total budgeted expenditures	\$ 32,865,688	\$ 5,360,826	\$ 7,062,715	\$ 1,063,045	\$ 46,352,274
B. Less exclusions claimed:					
Dividends, interest, and gains on the sale or redemption of investment securities (Note 2)	5,223	2,094			7,317
Grants and aid from the federal government (Note 3)			6,359,597		6,359,597
Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes	3,500	17,500	10,178		31,178
Contracts with other political subdivisions	4,978,235				4,978,235
Tuition and fees (Note 4)	1,161,151	1,360,586			2,521,737
Total exclusions claimed	<u>6,148,109</u>	<u>1,380,180</u>	<u>6,369,775</u>		<u>13,898,064</u>
C. Amounts subject to the expenditure limitation	<u>\$ 26,717,579</u>	<u>\$ 3,980,646</u>	<u>\$ 692,940</u>	<u>\$ 1,063,045</u>	<u>\$ 32,454,210</u>

See accompanying notes to report.

Graham County Community College District  
(Eastern Arizona College)  
Notes to Annual Budgeted Expenditure Limitation Report  
Year Ended June 30, 2014

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 ABELR's and the financial statements' formats 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 \$20,808 reported as investment earnings on the Statement of Revenues, Expenses, and Changes in Net Position—Primary Government, only \$7,317 was claimed as an exclusion because \$13,468 was carried forward to future years, and \$23 of investment income of the Loan Fund was not excludable.

Note 3 - Of the \$6,492,932 reported as government grants on the Statement of Revenues, Expenses, and Changes in Net Position—Primary Government, only \$6,359,597 was claimed as an exclusion. The remaining \$133,335 was not excludable.

Note 4 - The District does not budget tuition and fees net of scholarship allowances. Of the gross tuition and fees of \$6,350,699 reported on the Statement of Revenues, Expenses, and Changes in Net Position—Primary Government, only \$2,521,737 was expended and claimed as an exclusion. The remaining \$3,828,962 has been carried forward to future years.

