

Yavapai County Community College District

Annual Budgeted Expenditure
Limitation Report

Year Ended June 30, 2023



A Report to the Arizona Legislature

Lindsey A. Perry
Auditor General





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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 (report) of Yavapai County Community College District for the year ended June 30, 2023, 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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.

Lindsey A. Perry

Lindsey A. Perry, CPA, CFE
Auditor General

May 20, 2024

**Yavapai County Community College District
(Yavapai College)
Annual Budgeted Expenditure Limitation Report—Part I
Year ended June 30, 2023**

1. Economic Estimates Commission expenditure limitation	\$48,401,894
2. Total amount subject to the expenditure limitation (from Part II, Line C)	<u>48,401,894</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: May 20, 2024

See accompanying notes to report.

**Yavapai County Community College District
(Yavapai College)
Annual Budgeted Expenditure Limitation Report—Part II
Year ended June 30, 2023**

Description	<u>Total</u>
A. Total budgeted expenditures	\$ 81,661,890
B. Less exclusions claimed:	
Debt service requirements (Note 2)	1,256,638
Dividends, interest, and gains on the sale or redemption of investment securities	992,715
Grants, aid, or contributions from the federal government, the State of Arizona, other political subdivisions, tribal governments, or special taxing districts (Note 3)	11,619,911
Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes (Note 4)	2,321,647
Amounts accumulated for purchases of land, and the purchase or construction of buildings or improvements (Note 5)	3,201,050
Tuition and fees (Note 6)	9,046,384
Amounts earned through research and entrepreneurial activities (Note 6)	2,700,861
Amounts received from the State of Arizona for workforce development in accordance with A.R.S. §15-1472 (Note 7)	1,305,900
Prior years carryforward (Note 8)	814,890
Total exclusions claimed	<u>33,259,996</u>
C. Amounts subject to the expenditure limitation	<u>\$ 48,401,894</u>

See accompanying notes to report.

**Yavapai County Community College District
(Yavapai College)
Notes to Annual Budgeted Expenditure Limitation Report
Year ended June 30, 2023**

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.

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

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 \$10,099,147 reported as government grants and \$2,457,079 reported as smart and safe Arizona fund appropriations on the statement of revenues, expenses, and changes in net position—primary government, \$11,619,911 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. The remaining unspent, excludable revenues of \$936,315 have been carried forward to future years.

Note 4

Of the combined \$2,344,835 reported as private grants and gifts and capital grants and gifts on the statement of revenues, expenses, and changes in net position—primary government, \$2,321,647 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. Of the remaining \$23,188, \$5,738 was nonexcludable revenue and \$17,450 has been carried forward to future years.

Note 5

The District claimed an exclusion of \$3,201,050 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 \$6,710,759 reported as purchases of capital assets on the statement of cash flows—primary government. The District has accumulated an additional \$3,067,770 for purchases of land that has been carried forward to future years.

**Yavapai County Community College District
(Yavapai College)
Notes to Annual Budgeted Expenditure Limitation Report
Year ended June 30, 2023**

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)	\$11,312,628
Dormitory rentals (gross)	1,218,540
Bookstore income	48,597
Other operating revenues	<u>2,706,444</u>
Total	<u>\$15,286,209</u>

Annual budgeted expenditure limitation report:

Tuition and fees	\$ 9,046,384
Amounts earned through research and entrepreneurial activities	2,700,861
Other revenues (nonexcludable)	5,603
Unspent, excludable revenues carried forward	<u>3,533,361</u>
Total	<u>\$15,286,209</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. All of the \$1,305,900 revenues received were expended and claimed as an exclusion.

Note 8

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

Description	Total
Amounts received from the State of Arizona	\$ 56,060
Tuition and fees	429,706
Amounts received from the State of Arizona for workforce development in accordance with A.R.S. §15-1472	<u>329,124</u>
Total prior years carryforward expended	<u>\$814,890</u>

**Yavapai County Community College District
(Yavapai College)
Notes to Annual Budgeted Expenditure Limitation Report
Year ended June 30, 2023**

Note 9

Revenues that are constitutionally excludable and unexpended in the year of receipt may be accumulated and excluded in future years when spent. The District restated its June 30, 2022, balance for grants, aid, or contributions from the federal government, the State of Arizona, other political subdivisions, tribal governments, or special taxing districts by \$8,194 and presented this amount as grants, aid contributions, or gifts from private agency, organization or individual, except amounts received in lieu of taxes because the balance was incorrectly recorded in the prior fiscal year. A summary of the excludable revenue sources and the changes in those balances is shown in the table below.

<u>Description</u>	<u>Balance June 30, 2022, restated</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2023</u>
Grants, aid, or contributions from the federal government, the State of Arizona, other political subdivisions, tribal governments, or special taxing districts	\$ 4,336,188	\$ 936,315	\$ 56,080	\$ 5,216,443
Grants, aid, contributions, or gifts from private agency, organization, or individual, except amounts received in lieu of taxes	8,194	17,450		25,644
Amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements	4,552,522	3,067,770		7,620,292
Tuition and fees	21,556,066	3,533,361	429,706	24,659,721
Amounts received from the State of Arizona for workforce development in accordance with A.R.S. §15-1472	<u>1,802,744</u>		<u>329,124</u>	<u>1,473,620</u>
Total carryforward	<u>\$32,255,714</u>	<u>\$7,554,896</u>	<u>\$814,890</u>	<u>\$38,995,720</u>

