

GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT
(Eastern Arizona College)
REPORT ON EXAMINATION OF
ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30, 2022

**GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT
ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT
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YEAR ENDED JUNE 30, 2022**

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INDEPENDENT ACCOUNTANTS' REPORT

Members of the Arizona State Legislature
The Arizona Auditor General
Governing Board of
Graham County Community College District

We have examined the accompanying Annual Budgeted Expenditure Limitation Report (report) of Graham County Community College District ("District") for the year ended June 30, 2022, 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.


CWDL, Certified Public Accountants

Mesa, Arizona
September 11, 2024

**GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT
(Eastern Arizona College)
ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT – PART I
YEAR ENDED JUNE 30, 2022**

Economic Estimates Commission expenditure limitation	\$ 36,049,564	
Total amount subject to the limitation (from Part II, line C)		36,049,564
Amount under (in excess of) the expenditure limitation		<u>\$ -</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.

DocuSigned by:

Signature of chief financial officer: B081596AF7584A4...

Name and title: Heston Welker, Vice President of Administration / Chief Business Officer

Telephone number (928)428-8201

Date: September 11, 2024

See accompanying notes to the report.

GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT
(Eastern Arizona College)
ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT – PART II
YEAR ENDED JUNE 30, 2022

Description	Current funds			Plant funds	
	Unrestricted			Unexpended	Total
	General	Auxiliary enterprises	Restricted		
A. Total budgeted expenditures	\$ 30,277,678	\$ 6,905,463	\$ 22,025,799	\$ 6,269,709	\$ 65,478,649
B. Less exclusions claimed:					
Dividends, interest, and gains on the sale or redemption of investment securities (Note 2)	34,233	7,174		29,214	70,621
Grants, aid, or contributions from the federal government, the State of Arizona, other political subdivisions, tribal governments, or special taxing districts (Note 3)			18,072,251		18,072,251
Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes (Note 4)	224,257	14,948	114,039		353,244
Amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements (Note 5)				1,325,789	1,325,789
Contracts with other political subdivisions or tribal governments	6,436,364				6,436,364
Tuition and fees (Note 6)	963,352	2,207,464			3,170,816
Total exclusions claimed	7,658,206	2,229,586	18,186,290	1,355,003	29,429,085
C. Amounts subject to the expenditure limitation	\$ 22,619,472	\$ 4,675,877	\$ 3,839,509	\$ 4,914,706	\$ 36,049,564

See accompanying notes to the report.

**GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT
(Eastern Arizona College)
NOTES TO ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30, 2022**

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, 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 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 \$70,689 reported as investment earnings on the Statement of Revenues, Expenses, and Changes in Net Position - Primary Government, \$70,621 was claimed as an exclusion while \$68 of investment income of the Loan Fund is not excludable.

Note 3 - Of the \$23,676,719 reported as government grants on the Statement of Revenues, Expenses, and Changes in Net Position - Primary Government, only \$18,072,251 was claimed as an exclusion. The remaining \$5,604,468 was carried forward to future years. In addition, the total amount (\$763,334) of revenue received for Smart and Safe Arizona Funds, as reported on the Statement of Revenues, Expenses, and Changes in Net Position - Primary Government were carried forward to future years. See Note 7.

Note 4 - Of the \$353,244 reported as private contracts on the Statement of Revenues, Expenses, and Changes in Net Position - Primary Government, \$353,244 was claimed as an exclusion.

Note 5 - The District claimed as an exclusion of \$1,325,789 for building improvements that were expended during the current fiscal year. The total amount of this exclusion is reported in Note 3 of the financial statements.

Note 6 - The District does not budget tuition and fees, food service income, and dormitory rental and fees revenue net of scholarship allowances. Of the gross tuition and fees of \$8,123,249 reported on the Statement of Revenues, Expenses, and Changes in Net Position - Primary Government, only \$963,352 was expended and claimed as an exclusion. The remaining \$7,159,897 has been carried forward to future years. The District also claimed an exclusion of \$2,207,464 for food service income and dormitory rentals and fees.

**GRAHAM COUNTY COMMUNITY COLLEGE DISTRICT
(Eastern Arizona College)
NOTES TO ANNUAL BUDGETED EXPENDITURE LIMITATION REPORT
YEAR ENDED JUNE 30, 2022**

Note 7 - Revenues that are constitutionally excludable and unexpended in the year of receipt may be accumulated and excluded in future years. A summary of the excludable revenue sources and the changes in those balances is shown in the table below:

Description	Balance			Balance
	June 30, 2021	Additions	Reductions	June 30, 2022
Dividends, interest, and gains on the sale or redemption of investment securities:	\$ 514,805	\$ -	\$ -	\$ 514,805
Grants, aid, or contributions from the federal government, the State of Arizona, other political subdivisions, tribal governments, or special taxing districts:	4,327	6,367,802	-	6,372,129
Amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements:	9,969,831	-	-	9,969,831
Tuition and fees:	19,180,371	7,159,897	-	26,340,268
Contracts with other political subdivisions or tribal governments:	756,769	-	-	756,769
Amounts received from the State of Arizona for workforce development in accordance with A.R.S. §15-1472:	1,252,053	772,150	-	2,024,203
Total carryforward	<u>\$ 31,678,156</u>	<u>\$ 14,299,849</u>	<u>\$ -</u>	<u>\$ 45,978,005</u>