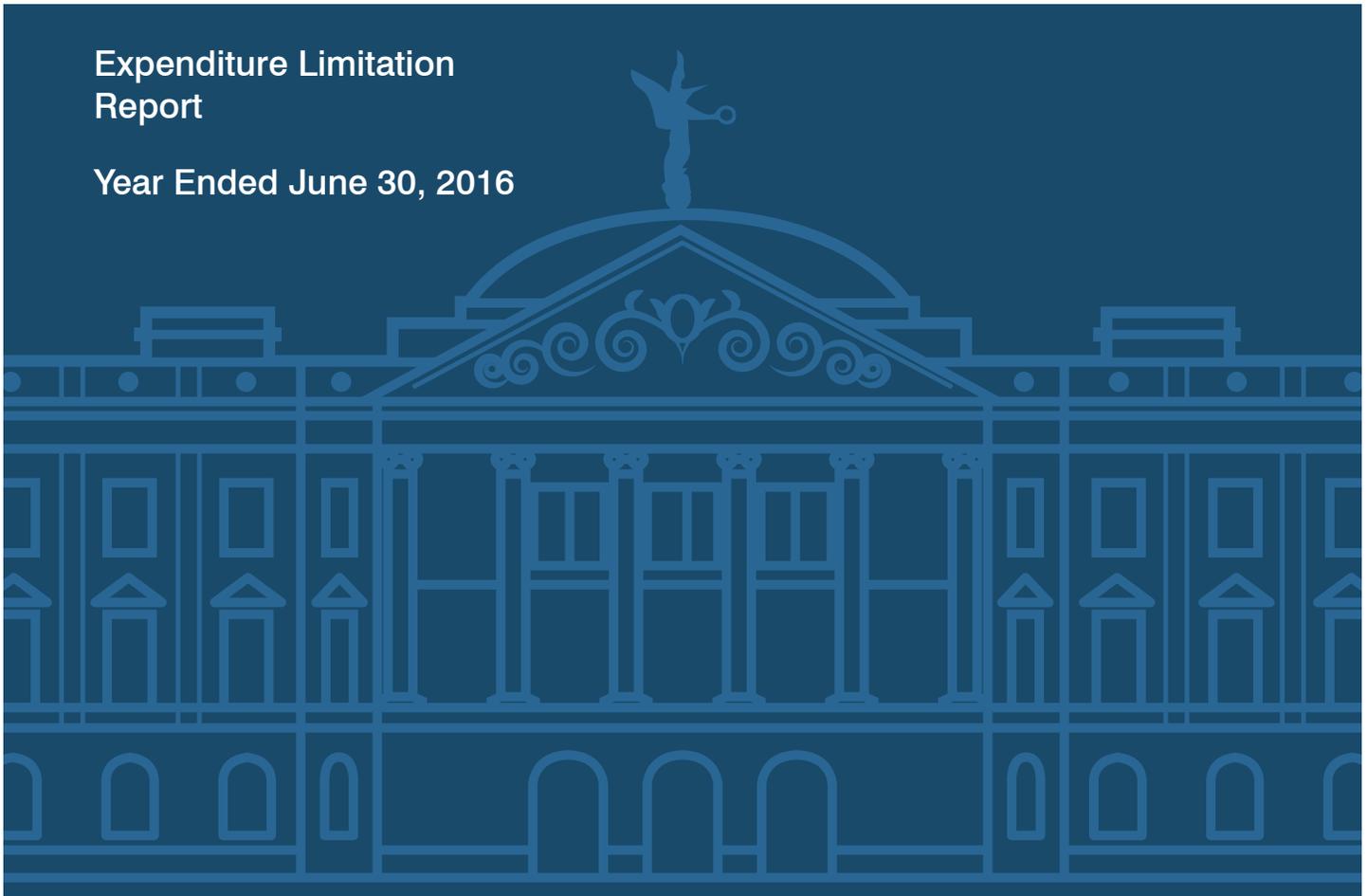


# Pima County Community College District

Expenditure Limitation  
Report

Year Ended June 30, 2016



A Report to the Arizona Legislature

Debra K. Davenport  
Auditor General





The Auditor General is appointed by the Joint Legislative Audit Committee, a bipartisan committee composed of five senators and five representatives. Her mission is to provide independent and impartial information and specific recommendations to improve the operations of state and local government entities. To this end, she 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.

## The Joint Legislative Audit Committee

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Senator **Judy Burges**

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# TABLE OF CONTENTS

<b>Independent accountants' report</b>	1
<b>Annual budgeted expenditure limitation report—part I</b>	3
<b>Annual budgeted expenditure limitation report—part II</b>	4
<b>Notes to annual budgeted expenditure limitation report</b>	5





**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  
Pima County Community College District

We have examined the accompanying annual budgeted expenditure limitation report of Pima County Community College District for the year ended June 30, 2016. 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

February 16, 2017



**Pima County Community College District  
Annual budgeted expenditure limitation report—part I  
Year ended June 30, 2016**

1. Economic Estimates Commission expenditure limitation		\$114,444,168
2. Total amount subject to the expenditure limitation (from Part II, Line C)	\$106,649,633	
3. Less expenditures of monies received pursuant to Arizona Revised Statutes (A.R.S.) §15-1472 (workforce development)	<u>1,330,258</u>	
4. Adjusted amount subject to the expenditure limitation		<u>105,319,375</u>
5. Amount under the expenditure limitation		<u>\$ 9,124,793</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: David W. Bea, Executive Vice Chancellor for Finance and Administration

Telephone number: (520) 206-4519 Date: February 16, 2017

**Pima County Community College District**  
**Annual budgeted expenditure limitation report—part II**  
**Year ended June 30, 2016**

Description	Current funds			Plant funds	Total
	Unrestricted		Restricted	Unexpended	
	General	Auxiliary enterprises			
A. Total budgeted expenditures	\$ 145,185,878	\$ 884,368	\$ 45,050,520	\$ 8,350,155	\$ 199,470,921
B. Less exclusions claimed:					
Dividends, interest, and gains on the sale or redemption of investment securities	703,448	297	6,288		710,033
Grants and aid from the federal government (Note 2)			42,891,284		42,891,284
Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes (Note 2)			1,078,909		1,078,909
Amounts accumulated for the purchase of land, and the purchase or construction of buildings or improvements				528,728	528,728
Contracts with other political subdivisions (Note 2)	400,230				400,230
Tuition and fees (Notes 2 and 3)	<u>46,103,538</u>	<u>1,677</u>		<u>1,106,889</u>	<u>47,212,104</u>
Total exclusions claimed	<u>47,207,216</u>	<u>1,974</u>	<u>43,976,481</u>	<u>1,635,617</u>	<u>92,821,288</u>
C. Amounts subject to the expenditure limitation	<u>\$ 97,978,662</u>	<u>\$ 882,394</u>	<u>\$ 1,074,039</u>	<u>\$ 6,714,538</u>	<u>\$ 106,649,633</u>

See accompanying notes to report.

**Pima County Community College District**  
**Notes to annual budgeted expenditure limitation report**  
**Year ended June 30, 2016**

**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 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**

The following schedule presents revenues from which exclusions have been claimed for grants and aid from the federal government; grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes; contracts with other political subdivisions; and tuition and fees:

<b>Statement of revenues, expenses, and changes in net position:</b>		<b>Annual budgeted expenditure limitation report:</b>	
Federal grants	\$42,891,284	Grants and aid from the federal government	\$42,891,284
State and local grants	1,523,348	Grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes	1,078,909
Contracts	3,485,053	Contracts with other political subdivisions	400,230
Gifts	843,947	Tuition and fees	<u>3,079,934</u>
Capital gifts and grants	<u>37,655</u>	Total exclusions claimed	<u>47,450,357</u>
		Other revenues (nonexcludable)	1,318,453
		Amount carried forward	<u>12,477</u>
Total	<u>\$48,781,287</u>	Total	<u>\$48,781,287</u>

**Note 3**

The District does not budget tuition and fees revenue net of scholarship allowances. Gross tuition and fees of \$44,132,170 reported on the statement of revenues, expenses, and changes in net position was expended and claimed as an exclusion.

