# **Navajo County Community College District**



**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.

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Arizona Auditor General	Navajo County Community College District (Northland Pioneer College)   Year Ended June 30, 2016



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 Navajo County Community College District

We have examined the accompanying annual budgeted expenditure limitation report of Navajo 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

January 23, 2017



# Navajo County Community College District (Northland Pioneer College) Annual budgeted expenditure limitation report—part I Year ended June 30, 2016

1.	Economic Estimates Commission expenditure limitation		\$13,327	,460
2.	Total amount subject to the expenditure limitation (from Part II, Line C)	\$13,754,676		
3.	Less expenditures of monies received pursuant to Arizona Revised Statutes §15-1472 (workforce development)	427,216		
4.	Adjusted amount subject to the expenditure limitation		13,327,	<u>460</u>
5.	Amount under the expenditure limitation		\$	<u>0</u>
	reby certify, to the best of my knowledge and belief, that the urate and in accordance with the requirements of the uniform e			eport is
Sigr	nature of chief fiscal officer:			
Nan	ne and Title: Maderia Ellison, Interim Vice President for Admini	strative Services		
Tele	phone number: <u>(928) 524-7440</u> Date: _	January 23, 2017		

# Navajo County Community College District (Northland Pioneer College) Annual budgeted expenditure limitation report—part II Year ended June 30, 2016

	Current funds				
	Unrest				
	General	Auxiliary enterprises	Restricted	Unexpended	Total
Description		<u>unerprises</u>			10141
A. Total budgeted expenditures	\$22,081,236	\$630,017	\$5,261,521	\$2,400,232	\$30,373,006
B. Less exclusions claimed:					
Debt service requirements on bonded indebtedness	21,325				21,325
Dividends, interest, and gains on the sale or redemption of investment					
securities	188,535				188,535
Grants and aid from the federal government (Note 2)	4,838		4,628,976		4,633,814
Grants, aid, contributions, or gifts from a private agency, organization,					
or individual, except amounts received in lieu of taxes (Note 3)	47,882		436,779		484,661
Amounts accumulated for the purchase of land, and the purchase					
or construction of buildings or improvements (Note 4)				1,543,680	1,543,680
Contracts with other political subdivisions (Note 2)	2,626,948		195,766		2,822,714
Tuition and fees (Note 5)	5,071,403	213,938			5,285,341
Refunds, reimbursements, and other recoveries (Note 6)	14,205				14,205
Prior years carryforward (Note 7)	1,624,055				1,624,055
Total exclusions claimed	9,599,191	213,938	5,261,521	1,543,680	16,618,330
C. Amounts subject to the expenditure limitation	\$12,482,045	\$416,079	\$ -	\$ 856,552	\$13,754,676

# Navajo County Community College District (Northland Pioneer College) 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 Statues (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 and contracts with other political subdivisions:

Statement of revenues, expenses, and changes in net position—primary government:		Annual budgeted expenditure limitation report:	
Government contracts	\$ 2,606,064	Grants and aid from the federal government	\$ 4,633,814
Government grants	5,126,742	Contracts with other political	
		subdivisions	<u>2,822,714</u>
State appropriations	7,777,000	Total exclusions claimed	7,456,528
		Other revenues	
		(nonexcludable)	8,053,278
Total	<u>\$15,509,806</u>	Total	<u>\$15,509,806</u>

#### Note 3

The exclusion claimed for grants, aid, contributions, or gifts from a private agency, organization, or individual, except amounts received in lieu of taxes, consists of \$436,779 in private grants and \$47,882 in other contributions. These amounts are included on the statement of revenues, expenses, and changes in net position—primary government as private grants and other operating revenues.

# Navajo County Community College District (Northland Pioneer College) Notes to annual budgeted expenditure limitation report Year ended June 30, 2016

#### Note 4

Of the \$2,868,119 reported as purchase and construction of capital assets on the statement of cash flows—primary government, \$1,543,680 was expended from amounts authorized and accumulated for the purchase of land, and the purchase or construction of buildings or improvements, and was therefore claimed as an exclusion.

#### Note 5

The District does not budget tuition and fees revenues net of scholarship allowances.

#### Note 6

The amount claimed for exclusion from other recoveries consists of an insurance loss recovery of \$14,205, which was included on the statement of revenues, expenses, and changes in net position—primary government as other operating revenue.

#### Note 7

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:

	Current
Description	general fund
Tuition and fees	<u>\$1,624,055</u>
Total prior years carryforward expended	<u>\$1,624,055</u>

