

Overview of Yavapai College Comprehensive Annual Financial Report & Audit Results

FY 2016-17

YC

Yavapai College

February 2018

Audit Results and CAFR Highlights:

- ▶ Financial Audit & Internal Controls Report over Financial Reporting
 - No audit findings
- ▶ Unmodified Audit Opinion
- ▶ The Certificate of Achievement for Excellence in Financial Reporting award from GFOA
- ▶ Federal Single Audit
 - No audit findings

results



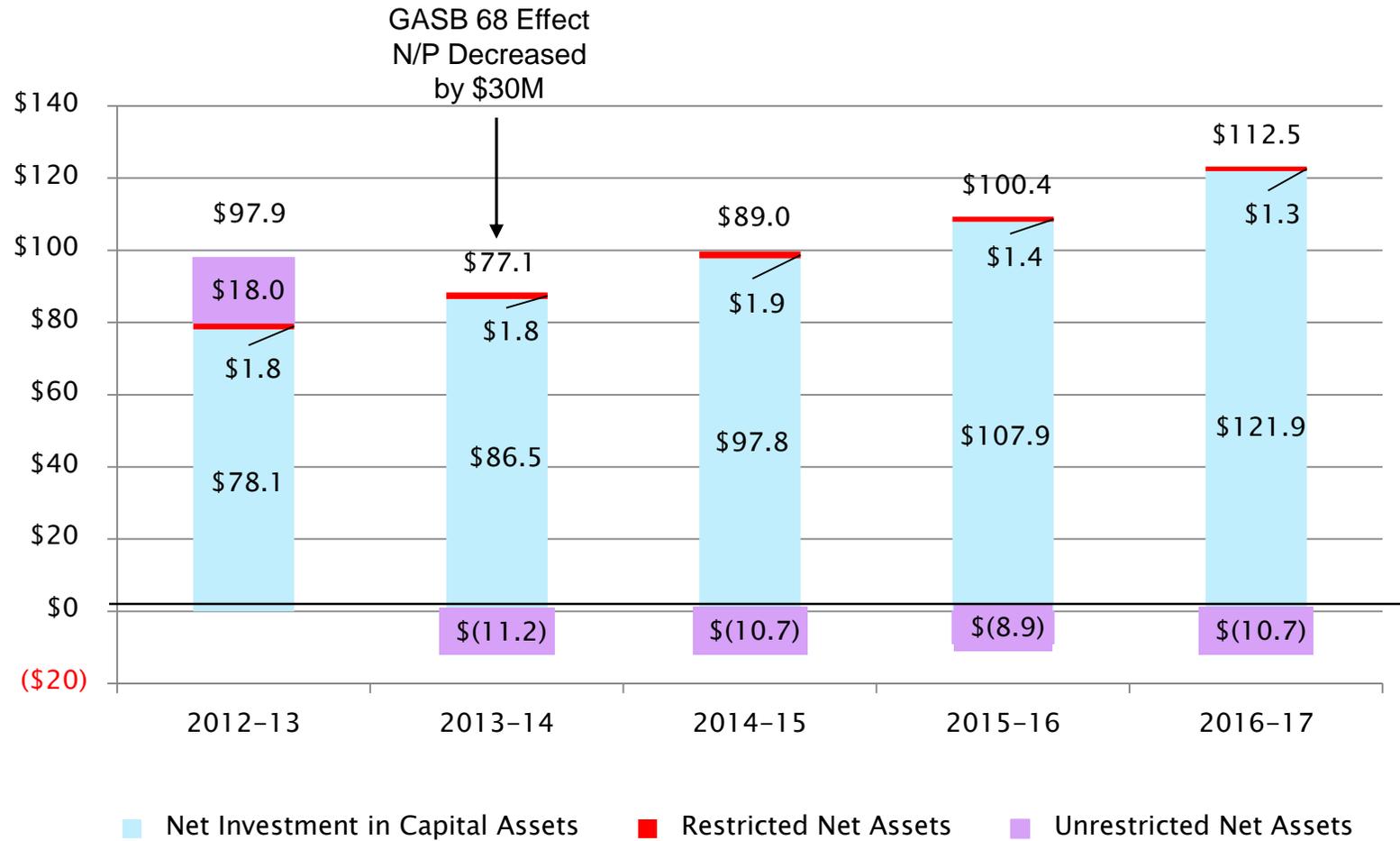
CAFR Financial Statements

- ▶ Positive Financial Results
 - ❖ Statement of Net Position (Balance Sheet)
 - ❖ Statement of Revenues, Expenses, and Changes in Net Position (Income Statement)
 - ❖ Statement of Cash flows



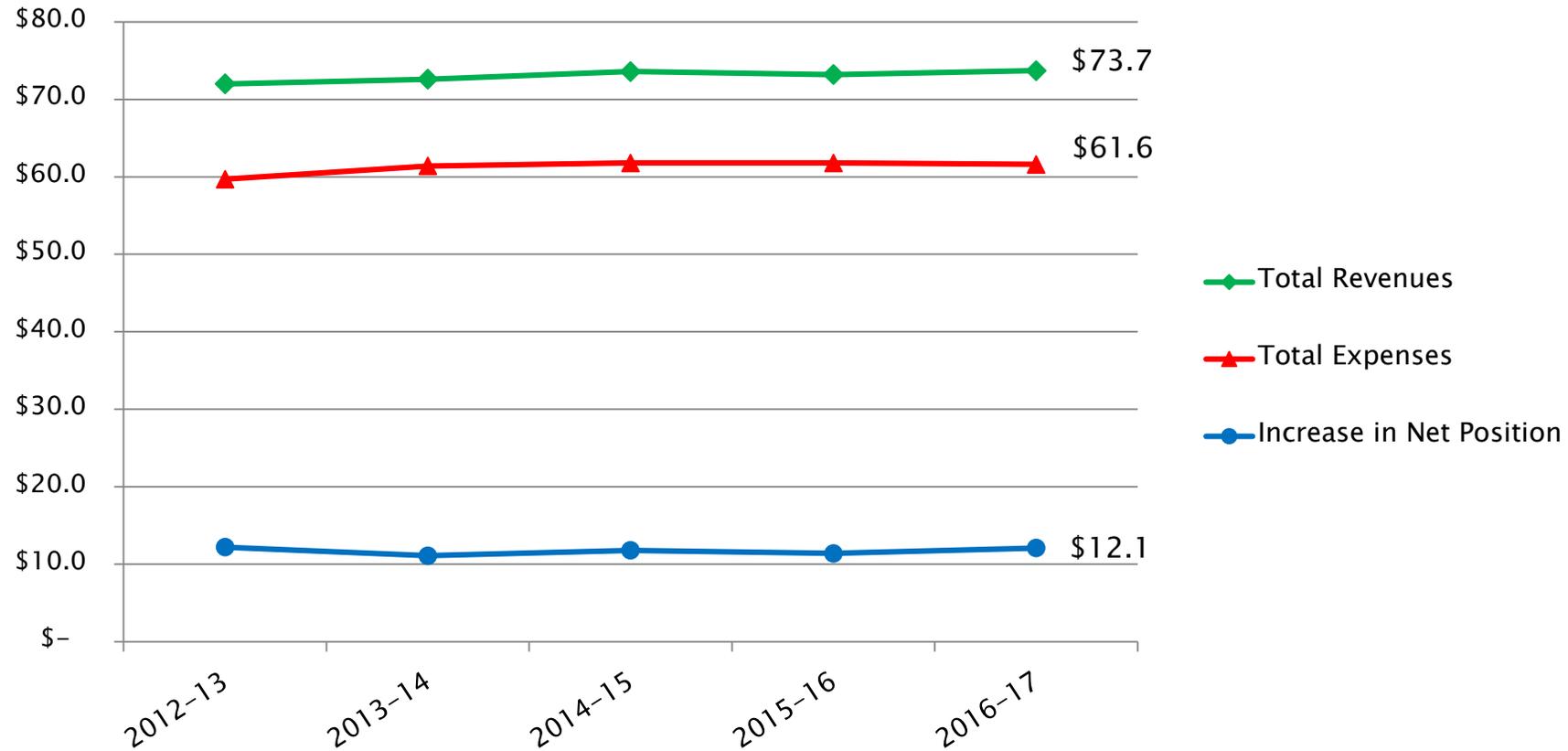
Statement of Net Position (page 26 of CAFR)

(in millions of dollars)



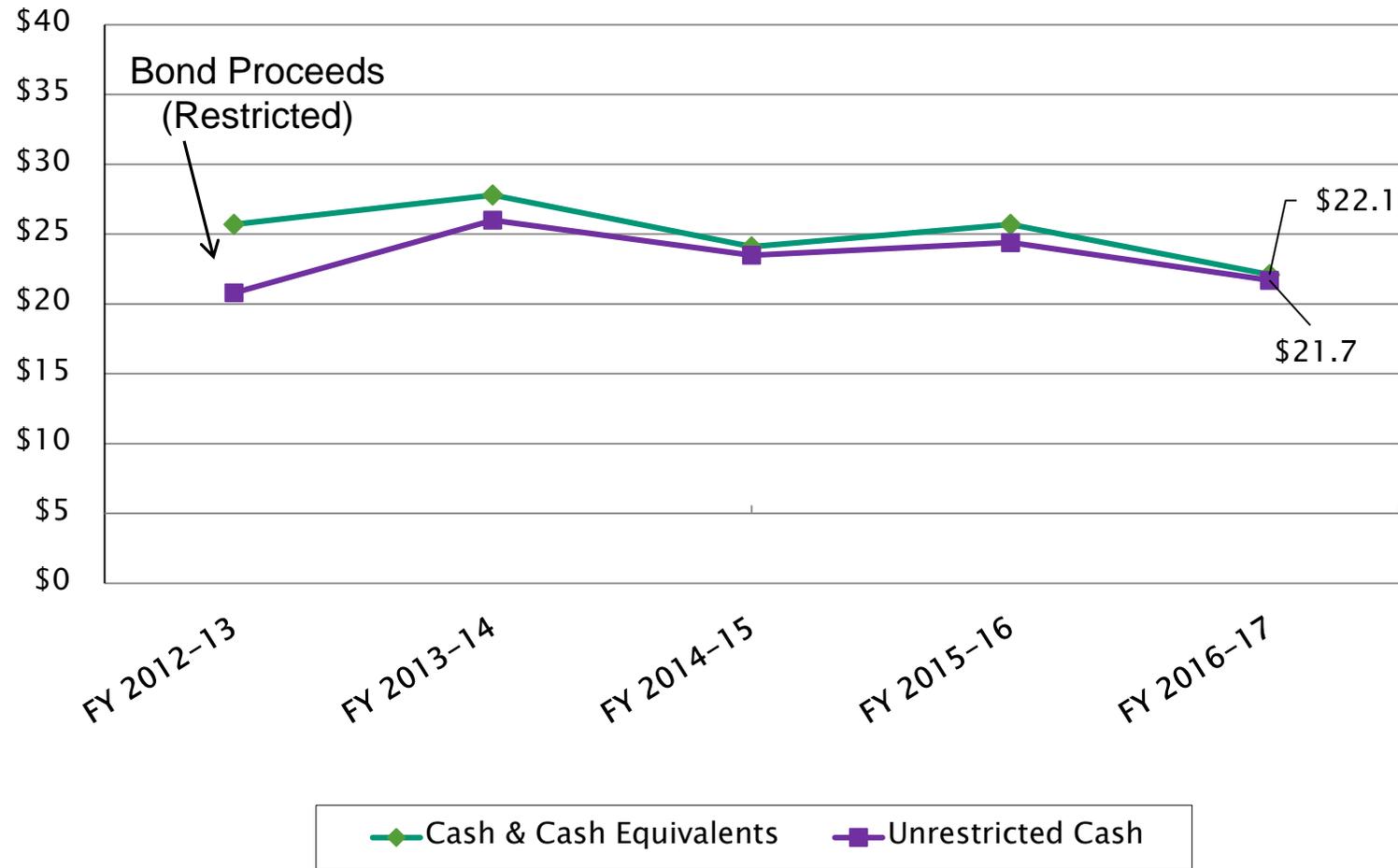
Statement of Revenues, Expenses, and Changes in Net Position (page 28 of CAFR)

(in millions of dollars)



Statement of Cash Flows (page 30 of CAFR)

(in millions of dollars)



NACUBO Ratios

- ▶ Report to HLC annually
 - Both with and without the impact of GASB 68 pension liabilities.
 - Benchmarks have not been updated to reflect the impact of GASB 68.
- ▶ Provides insight on the financial health of the District
- ▶ Each ratio has a benchmark
- ▶ Trends are as important as the numbers

Primary Reserve Ratio

Viability Reserve Ratio

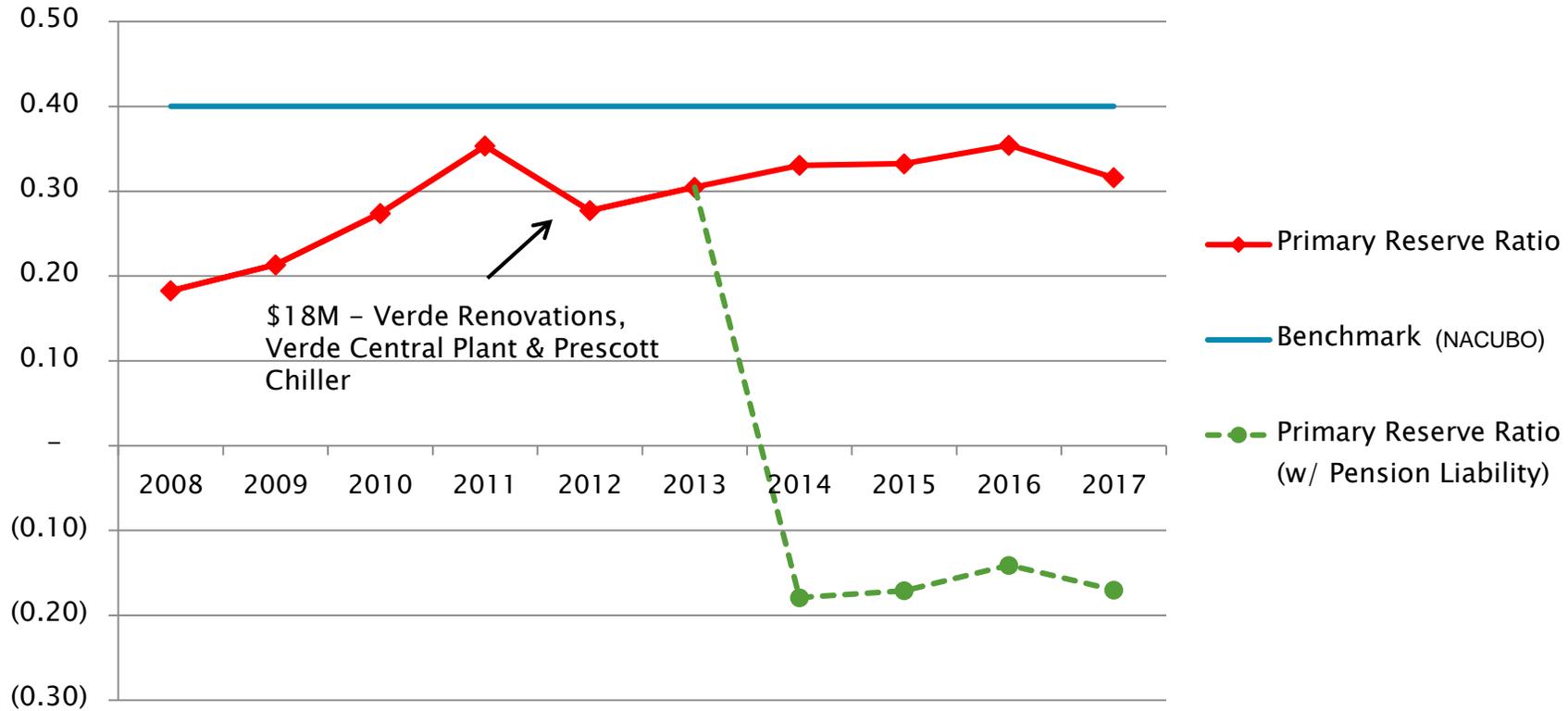


Return on Net Assets Ratio

Net Operating Revenue Ratio

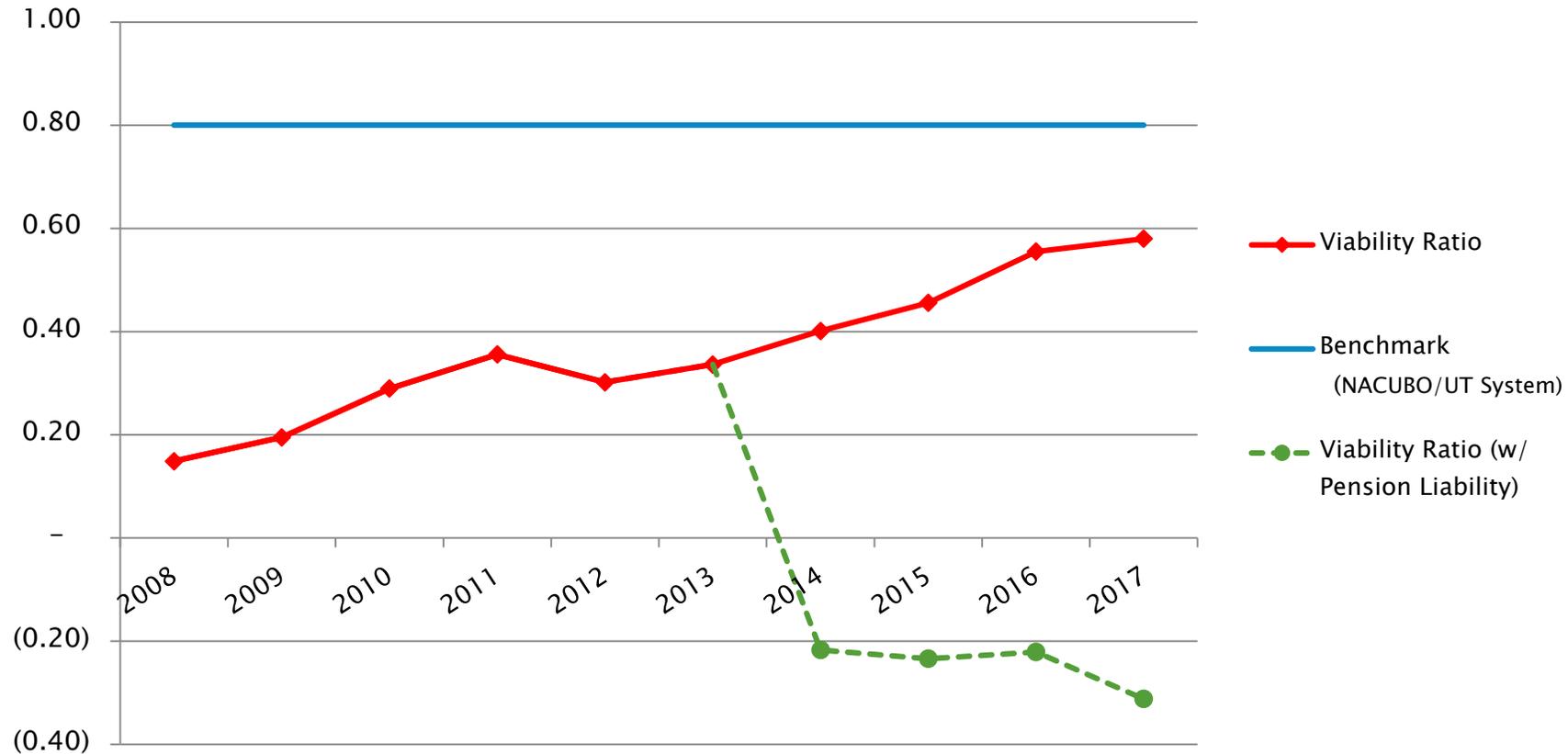
Composite Financial Index

Resource Sufficiency Primary Reserve Ratio



Primary Reserve Ratio - measures total available resources that an institution could spend on operations as a percentage of total expenses. This is the portion of an entire year the institution could meet financial obligations with assets readily available.

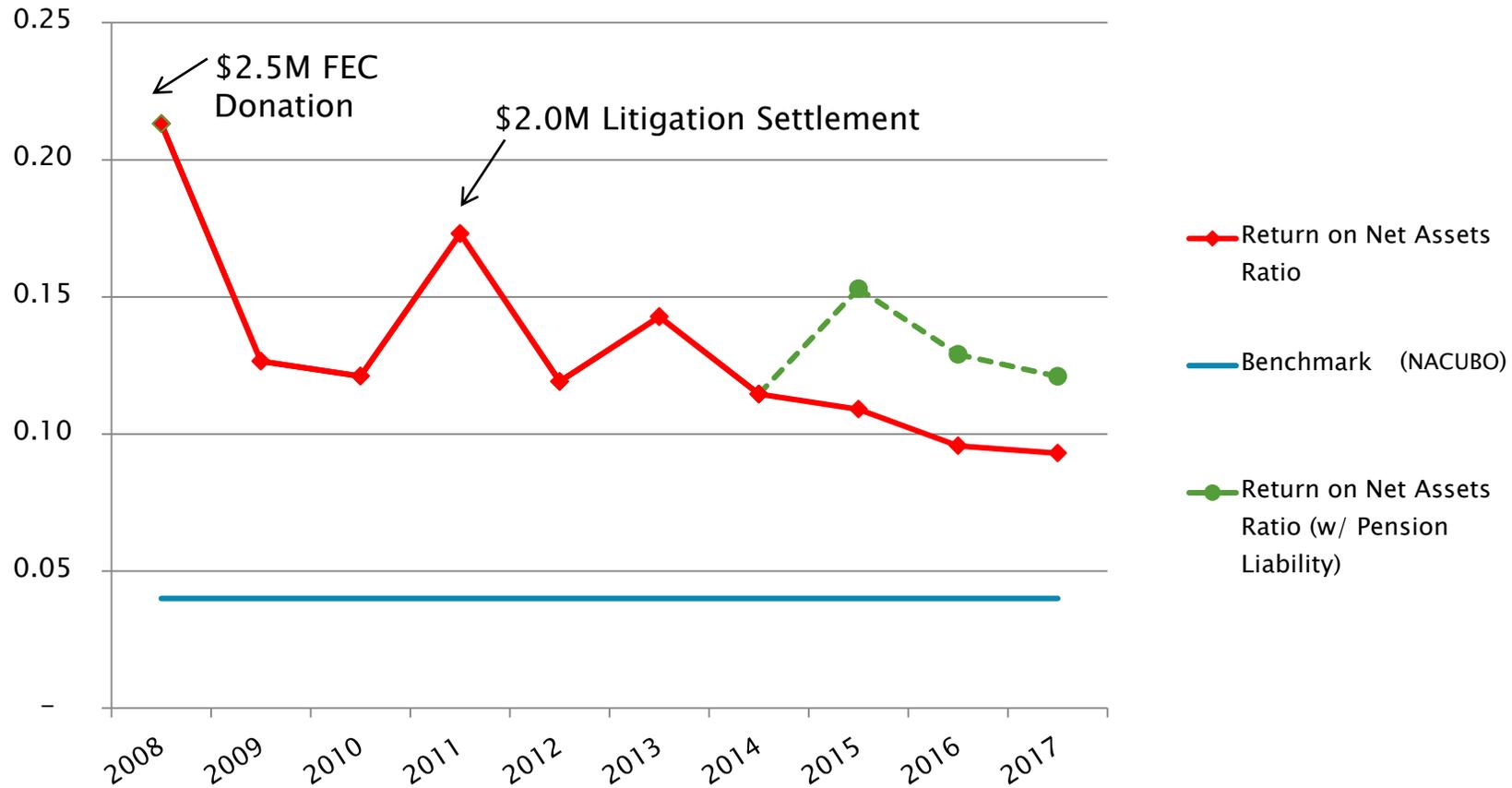
Debt Management Viability Ratio



Viability Ratio - measures capability to meet debt obligations with expendable assets. Also measures an institution's ability to fund new initiatives through debt and is a factor in determining the District's level of credit risk.

Asset Performance

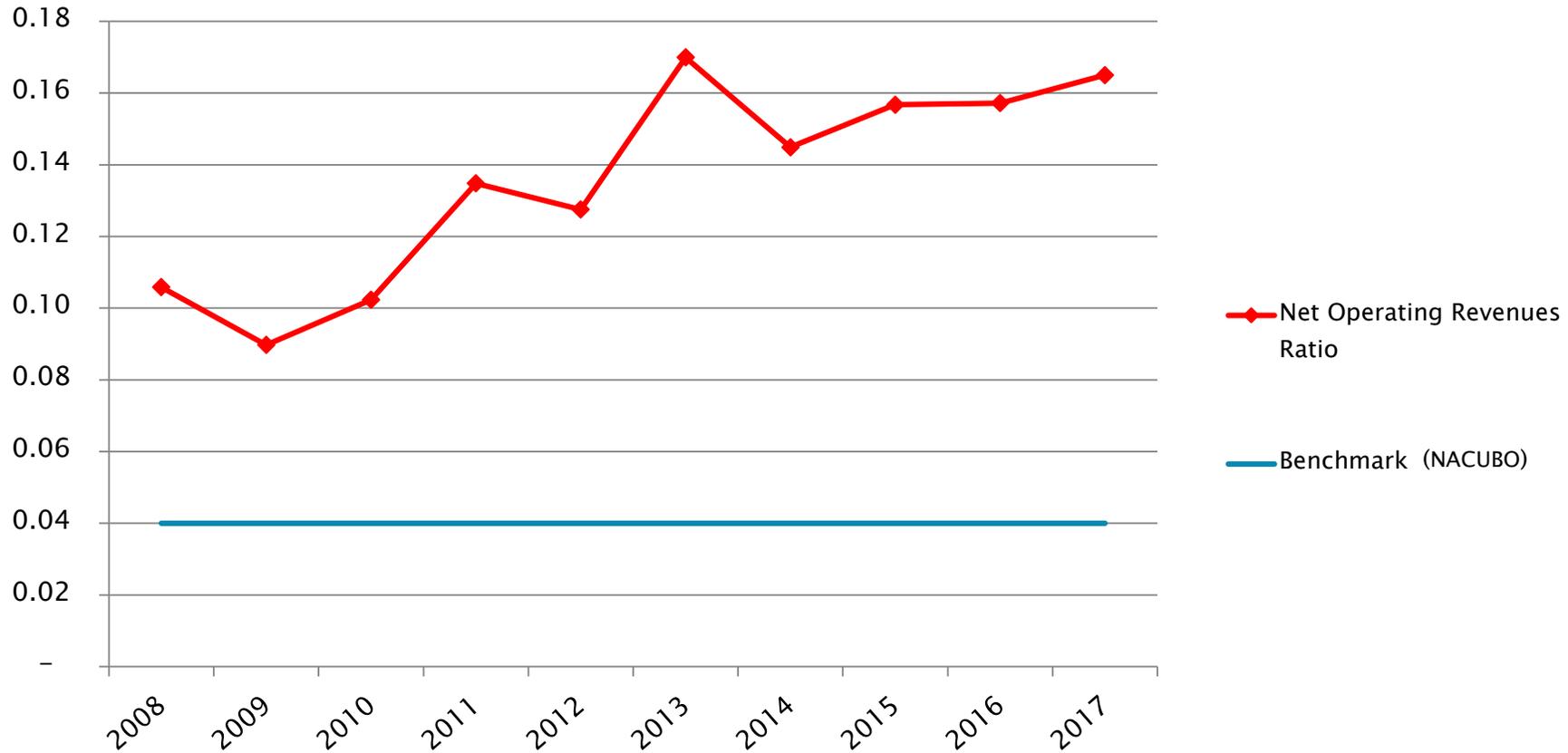
Return on Net Assets Ratio



Return on Net Assets - measures the rate that the District's assets (restricted and unrestricted) are increasing or decreasing.

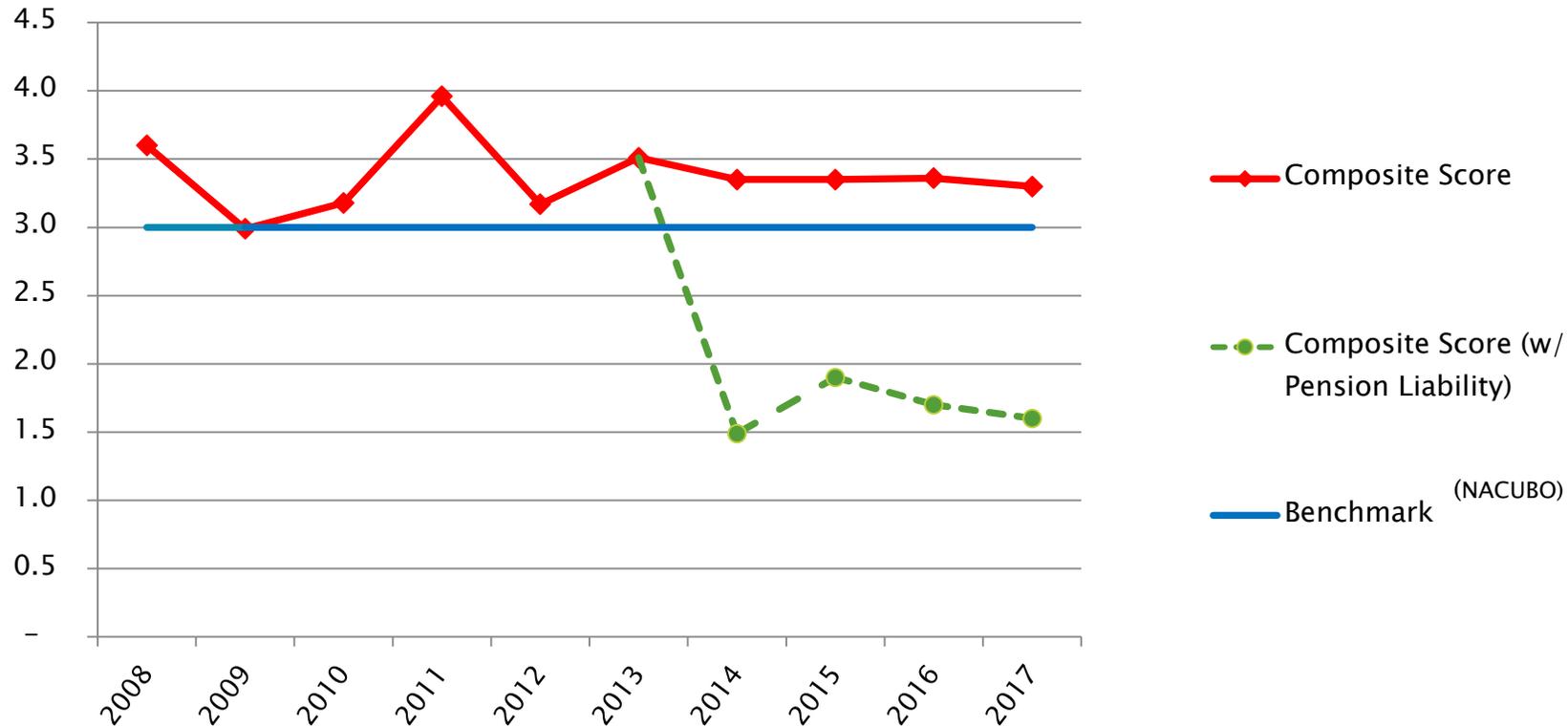
Operating Results

Net Operating Revenues



Net Operating Revenues Ratio - measures the ability of an institution to operate within available resources in basic day-to-day functions. It measures the surplus or deficit resulting from institutional operations.

Composite Financial Index



The CFI is a combination of the four core ratios using a prescribed weighting that is an indicator of the overall financial health of an institution. It's important to note that the benchmarks used for the CFI have not been updated to reflect the impact of GASB 68, and consequently, the benchmarks do not necessarily provide the financial guidance intended when developed. It is for this reason the College has chosen to show the CFI with and without the financial impact of GASB 68.

Questions ?