

MT. SAN ANTONIO COMMUNITY COLLEGE DISTRICT

PERFORMANCE AUDIT
OF
PROPOSITION 39, GENERAL OBLIGATION BONDS
(MEASURE R, NOVEMBER 2001 & MEASURE RR, NOVEMBER 2008)
LEASE REVENUE BONDS (2007)
BOND ANTICIPATION NOTES (2009)

June 30, 2014



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INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
The Citizens' Oversight Committee
Mt. San Antonio Community College District
1100 North Grand Avenue
Walnut, California 91789

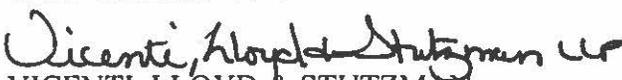
We have conducted a performance audit of the Mt. San Antonio Community College District's (the District), Measure R and Measure RR General Obligation Bond funds for the year ended June 30, 2014. In addition, in anticipation of the District's plan to use Measure RR General Obligation Bond funds to defease temporary financing debt, we have conducted a performance audit of the District's use of proceeds from lease revenue bonds (2007) and bond anticipation notes (2009) for the fiscal year ended June 30, 2014.

We conducted our performance audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusion based on our audit objectives.

Our audit was limited to the objectives listed on pages 5-6 of this report which includes determining the District's compliance with the performance requirements for the Proposition 39 Measure R and Measure RR General Obligation Bonds under Section 1(b)(3)(C) of Article XIII A of the California Constitution and under certain provisions of Sections 15264 and 15272 – 15286 of the California Education Code. Management is responsible for the District's compliance with those requirements.

Solely to assist us in planning and performing our performance audit, we obtained an understanding of the internal controls of the District to determine if internal controls were adequate to help ensure the District's compliance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution and certain provisions of Sections 15264 and 15272 – 15286 of the California Education Code. Accordingly, we do not express any assurance on internal control.

The results of our tests indicated that for the fiscal year ended June 30, 2014 the District complied, in all significant respects, with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution, and certain provisions of Sections 15264 and 15272 – 15286 of the California Education Code. In addition, the District expended proceeds from the lease revenue bonds and bond anticipation notes for the fiscal year ended June 30, 2014, only for the purposes approved by the voters and only on the specific projects developed by the District's Board of Trustees under Measure RR, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution.


VICENTI, LLOYD & STUTZMAN LLP
Glendora, California
November 20, 2014

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BACKGROUND INFORMATION

In November 2000, the voters of the State of California approved Proposition 39 authorizing the issuance of general obligation bonds by California public school districts and community colleges under certain circumstances and subject to certain conditions.

Measure R

In November 2001, a general obligation bond proposition (Measure R) of the Mt. San Antonio Community College District was approved by the voters of the District. Measure R authorized the District to issue up to \$221 million of general obligation bonds to finance various capital projects and related costs, as specified in the bond measure provisions.

Accordingly, the following bonds were issued:

- In May 2002, the first series of bonds, Series A, in the amount of \$40 million was issued.
- In February 2004, the second series of bonds, Series B, in the amount of \$75 million was issued.
- In September 2005, \$75.7 million in general obligation refunding bonds were issued to refund certain outstanding Series A and Series B bonds. In addition, the refunding bonds generated \$8.6 million in proceeds received by the District (net of the original bond issuance costs).
- In September 2006, the third series of bonds, Series C, in the amount of \$80 million was issued.
- In July 2008, the fourth and final series of bonds, Series D, in the amount of \$26 million was issued.
- In June 2012, \$29.9 million in general obligation refunding bonds were issued to refund certain outstanding 2005 refunding bonds.
- In August 2013, \$74.9 million in general obligation refunding bonds (Series A) were issued to refund certain outstanding 2005 refunding bonds, Series C bonds, and 2012 refunding bonds.

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BACKGROUND INFORMATION (continued)

Measure R (continued)

- In August 2013, \$48.2 million in general obligation refunding bonds (Series B) were issued to refund certain outstanding 2005 refunding bonds, Series C bonds, and 2012 refunding bonds.

Measure RR

In November 2008, voters of the District approved an additional general obligation bond proposition (Measure RR) of the Mt. San Antonio Community College District. Measure RR authorized the District to issue up to \$353 million of general obligation bonds to finance various capital projects and related costs, as specified in the bond measure provisions.

Until the current year, assessed property values were insufficient to allow the approval of a bond issuance under Measure RR. In order to continue with planned construction projects, the District sought temporary financing sources. In June 2008, the District issued \$10.8 million in lease revenue bonds to provide the financing of equipment, relocatable structures, and building projects. In April 2010, the District issued \$64.9 million in bond anticipation notes to (a) finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities and (b) refund the District's outstanding lease revenue bonds.

In anticipation that the bond anticipation notes, together with the interest thereon, will be paid from the proceeds of the sale of Measure RR bonds, the District requested that expenditures paid with the proceeds from lease revenue bonds and bond anticipation notes be audited to ensure funds have been expended only for the authorized Measure RR bond projects described in the Official Ballot for the Bond Measure.

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BACKGROUND INFORMATION (continued)

Measure RR (continued)

Property values have since appreciated to a level sufficient to allow the District to issue bonds under Measure RR. Accordingly, the following bonds were issued:

- In August 2013, the first series of bonds, Series A, in the amount of \$205.6 million was issued to pay off certain outstanding bond anticipation notes and to finance projects approved under Measure RR.
- In August 2013, the second series of bonds, Series B, in the amount of \$11.7 million was issued to pay off certain outstanding bond anticipation notes.

Citizen's Oversight Committee

Pursuant to the requirements of Proposition 39, and related state legislation, the Board of Trustees of the District appropriately established a Citizens' Oversight Committee and appointed its initial members. In January 2009, the Board of Trustees of the District expanded the scope of the current Measure R Citizens' Oversight Committee and designated it to also serve as the independent bond oversight committee for Measure RR.

The principal purpose of the Citizens' Oversight Committee, as set out in state law, is to inform the public as to the expenditures of the proceeds of the bonds issued pursuant to the applicable bond measure. The Citizens' Oversight Committee is required to issue at least one report annually as to its activities and findings.

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BACKGROUND INFORMATION (continued)

Performance Audit

Section 1(b)(3)(C) of Article XIII A of the California Constitution requires the District to conduct an annual independent performance audit to ensure that the proceeds of the bonds have been expended only for the authorized bond projects. Consistent with this provision, Section 15286 of the California Education Code requires the performance audit to be conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and be submitted to the Citizens' Oversight Committee by March 31st of each year.

OBJECTIVES

The objectives of our performance audit were to:

- Obtain documentation for the expenditures charged against the Mt. San Antonio Community College District bond construction funds, bond anticipation note funds (hereinafter referred to as the "BAN funds"), and lease revenue bond funds (hereinafter referred to as the "lease revenue funds").
- Determine whether expenditures charged against the bond construction funds for the fiscal year ended June 30, 2014 have been made in accordance with the bond project authorization approved by the voters through the approval of Measure R in November 2001 (Measure R Bond Projects) and Measure RR in November 2008 (Measure RR Bond Projects).
- Determine whether expenditures charged against the BAN funds for the fiscal year ended June 30, 2014 have been made in accordance with the bond project authorization approved by the voters through the approval of Measure RR in November 2008 (Measure RR Bond Projects).
- Determine whether expenditures charged against the lease revenue funds for the fiscal year ended June 30, 2014 have been made in accordance with the bond project authorization approved by the voters through the approval of Measure RR in November 2008 (Measure RR Bond Projects).

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OBJECTIVES (continued)

- Note incongruities, system weaknesses, or non-compliance with specific Education Code Sections related to oversight of fund expenditures and provide recommendations for improvement.
- Provide the District Board and the Citizens' Oversight Committee with a performance audit as required under the requirements of the California Constitution and Proposition 39.

SCOPE OF THE AUDIT

The scope of our performance audit covered the fiscal year ended June 30, 2014. Our sample selection considered object and project codes associated with the Measure R and Measure RR Bond Projects including those projects originally funded by BAN and lease revenue funds. However, not all planned projects incurred expenditures in the current year, and not all projects with expenditures were tested. The propriety of expenditures for capital projects and maintenance projects funded through sources other than the funds described above, including interest thereon, were not included within the scope of our audit. Expenditures incurred subsequent to June 30, 2014 were not reviewed or included within the scope of our audit or in this report.

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PROCEDURES PERFORMED

We obtained the general ledger and the project expenditure summary reports and detail prepared by the District for the fiscal year ended June 30, 2014 for the bond construction funds, lease revenue funds, and BAN funds. Within the fiscal year audited, we obtained the actual invoices and other supporting documentation for a sample of expenditures to ensure compliance with the requirements of Proposition 39, Measure R and Measure RR, funding. We performed the following procedures:

- For Measure R, we reviewed the Campus Master Plan Bond Project publicized list of intended projects. For Measure RR, we reviewed the list of intended projects published in the Official Ballot.
- We selected a sample of expenditures for the fiscal year ended June 30, 2014 and reviewed supporting documentation to ensure that funds were properly expended on the authorized bond projects, met the requirements for bidding, if applicable, and were not used for salaries of school administrators or other operating expenses of the District. The following table illustrates the sample selected for each source of funding, as well as the percentage of total expenditures tested.

Fund	Number of Transactions Tested	Dollar Value of Transactions Tested	Total Project Expenditures	Percentage of Total Expenditures
Bond Construction Fund #1 – Measure R	4	\$ 181,208	\$ 332,574	54%
Lease Revenue Funds	3	6,237	10,047	62%
BAN Funds	141	9,145,141	12,454,443	73%
Bond Construction Fund #2 – Measure RR	127	14,387,928	24,717,114	58%

Detailed results of our testing are identified by project beginning on page 8.

- We compared total project expenditures to budgets to determine if there were any expenditures in excess of appropriation.

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PROCEDURES PERFORMED (continued)

Each of the projects has been given a specific project identification number and budget within the District's financial reporting system. Actual expenditures are matched against the budget to prevent cost overruns.

We reviewed documentation, including the District's website, to verify compliance with certain bond oversight requirements of the California Education Code, including the membership make-up of the Citizens' Oversight Committee, publication of committee proceedings, and issuance of an annual report to the public.

RESULTS OF PROCEDURES

Measure R Bond Projects – Bond Construction Funds

In 2001, the District put forward, as adopted by the Board of Trustees, 17 projects for use with the Measure R bond funding in a Campus Master Plan. During 2005, the Master Plan was reconfigured to better accommodate the projects and improvements associated with bond funding. Several of the original Measure R projects have been modified to balance cost effectiveness of bond funds, state funding priorities and campus needs. Budget amounts below were provided by the District and may be subject to further revision. The District has incurred cumulative total costs of \$242,109,245 through June 30, 2014 of which \$332,574 were expended during the fiscal year ended June 30, 2014. The projects and related costs are outlined below:

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RESULTS OF PROCEDURES (continued)

Measure R Bond Projects – Bond Construction Funds (continued)

		<u>Total Budget</u>	<u>Actual Costs for Fiscal Year Ended June 30, 2014</u>	<u>Cumulative Costs through June 30, 2014</u>
Project 1	Science Laboratories	\$ 14,367,145	\$ 1,778	\$ 14,361,620
Project 2	Workforce Training Center	290,433		290,433
Project 3	Campus-wide Energy Conservation Program	15,544,446		15,544,446
Project 4	Off-Campus Learning Centers	389		389
Project 5	Agricultural Science	19,754,858	7,124	19,719,654
Project 6	Child Development Center	1,800,774		1,800,774
Project 7	Campus Classroom Improvements	32,940,965	3,078	32,787,919
Project 10	Design and On-line Technology Center	13,700,123	68,373	13,654,922
Project 11	Physical Education/Wellness Facility and Athletic Fields	10,400,851		10,400,851
Project 12	Campus Center	73,882		73,882
Project 13	Student Support Services Renovations	7,365,547	576	7,364,858
Project 14	Welding/Air Conditioning Programs	6,181,760		6,181,760
Project 15	Language Center	9,776,059		9,776,059
Project 16	Health Careers Center	9,789,393		9,789,393
Project 17	Campus-Wide Improvements	100,386,097	251,646	100,205,296
	Bond Investment	156,990		156,990
	Bond Refunding Reserves/Interest Reserves	79,937		
		<u>\$ 242,609,649</u>	<u>\$ 332,575</u>	<u>\$ 242,109,246</u>
Budget Reconciliation:				
	Measure R Proceeds	\$ 220,999,812		
	Bond Refunding Proceeds	8,606,226		
	Bond Investment Funds	13,003,611		
		<u>\$ 242,609,649</u>		

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RESULTS OF PROCEDURES (continued)

The following list outlines the detailed expenditures tested for the fiscal year ended June 30, 2014. The costs tested appear appropriate for the respective projects.

Project 10 – Design and On-line Technology Center

Current year expenditures tested included general construction.

Project 17 – Campus-Wide Improvements

The campus-wide improvement project has been sub-divided into nine categories. Not all project categories had expenditures during this period. Expenditures were reviewed in the following area:

- 17f. Campus-wide improvements – Current year expenditures tested included site improvements and fencing fabrication and installation.

Related Measure RR Bond Projects – Lease Revenue and BAN Funds

In 2008, the District put forward, as adopted by the Board of Trustees, the Official Ballot for Measure RR which describes the projects to be completed with the bond funding. Project costs have been expended using proceeds from lease revenue bonds and bond anticipation notes, which will be repaid using Measure RR proceeds. Budget amounts below were provided by the District and may be subject to further revision. The District has incurred cumulative total costs of \$11,010,803 and \$62,862,223 through June 30, 2014 with the use of lease revenue funds and BAN funds, respectively. Of these amounts \$10,047 and \$12,454,443 are current year expenditures, respectively. The projects and costs are outlined below:

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RESULTS OF PROCEDURES (continued)

Lease Revenue Funds

	<u>Total Budget</u>	<u>Actual Costs for Fiscal Year Ended June 30, 2014</u>	<u>Cumulative Costs through June 30, 2014</u>
Project 7 Campus Classroom Improvements	\$ 3,725,707	\$	\$ 3,725,707
Project 17 Campus-wide Improvements	<u>7,300,746</u>	<u>10,047</u>	<u>7,285,096</u>
	<u>\$ 11,026,453</u>	<u>\$ 10,047</u>	<u>\$ 11,010,803</u>
Budget Reconciliation:			
Lease Revenue Bond Proceeds	\$ 10,904,256		
Bond Investment Funds	<u>122,197</u>		
	<u>\$ 11,026,453</u>		

Project 17 – Campus-wide Improvements

The campus-wide improvement project has been sub-divided into four categories. Not all project categories had expenditures during the period tested. Expenditures were tested in the following area:

- Admin. Administration Building Remodel – Current year expenditures tested included lighting and electrical work and the purchase of furniture and equipment. Costs were tested and appear proper for the project.

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RESULTS OF PROCEDURES (continued)

BAN Funds

	<u>Total Budget</u>	<u>Actual Costs for Fiscal Year Ended June 30, 2014</u>	<u>Cumulative Costs through June 30, 2014</u>
Project A Library, Learning Resources and Campus Center	\$ 197,529	\$	\$ 197,529
Project B Business and Computer Technology	526,083	24,312	493,417
Project C Child Development Center	16,728,825	2,914,490	16,564,182
Project D Athletics Complex Phase 2	38,772		38,772
Project E Career and Technical Education Building Renovation	92,043		92,043
Project F Classroom Building Renovation	4,567,312	144,083	4,488,411
Project G Laboratory Building Expansion Sciences	791,200	5,761	788,101
Project H Fire Academy	215,030		106,161
Project J Parking, Public Safety, and Traffic Improvements	582,638	223,567	581,551
Project K Scheduled Maintenance	2,451,118	284,727	2,247,158
Project L1 Infrastructure Improvement Utilities, Site, Traffic, Energy	5,408,921	1,761,758	4,868,300
Project L3 Temporary Space	1,691,489	851,712	1,553,582
Project L4 Demolition	269,724	96,731	261,813
Project L5 Administration Building Remodel	1,120,131	15,958	1,120,131
Project L7 Campus-wide Improvement Projects	16,305,742	5,828,894	14,237,112
Project L8 Construction Support	5,865,193	302,450	5,627,959
Lease Revenue Bonds (COPS) Debt Retirement	9,596,001		9,596,001
Bond Investment/Interest Reserves	41,401		
	<u>\$ 66,489,152</u>	<u>\$ 12,454,443</u>	<u>\$ 62,862,223</u>

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RESULTS OF PROCEDURES (continued)

The following list outlines the detailed expenditures tested for the fiscal year ended June 30, 2014. The costs tested appear appropriate for the respective projects.

Project C – Child Development Center

Current year expenditures tested included architectural design, labor and materials for earth work and site improvement, purchase of furniture, project management, flooring, landscaping, HVAC, fire and sprinkler system.

Project F – Classroom Building Renovation

The classroom building renovation project has been sub-divided into two categories. Not all project categories had expenditures during the period tested. Expenditures were tested in the following area:

- F1. Phase 1 – Building 45 Renovation – Current year expenditures tested included architectural design.

Project G – Laboratory Building Expansion – Sciences

Current year expenditures tested included construction costs for the Astronomy Dome – Building 60.

Project J1 – Parking Structure

Current year expenditures tested included architect fees.

Project K – Scheduled Maintenance

The scheduled maintenance project has been sub-divided into 35 categories. Not all project categories had expenditures during the period tested. Expenditures were reviewed for the following areas:

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RESULTS OF PROCEDURES (continued)

Project K – Scheduled Maintenance (continued)

- K4. Miscellaneous Improvements Auxiliary Services – Current year expenditures tested included electrical services.
- K5. Miscellaneous Improvements Auxiliary Services – Current year expenditures tested included labor and materials.
- K19. Farm Drainage Repairs – Current year expenditures tested included inspection and testing services.
- K20. Boiler Repair / Replacement – Current year expenditures tested included the installation of boiler at building 9A.
- K22. Scheduled Maintenance 2012/13 – Current year expenditures tested included fire alarm system repair.

Project L1 – Infrastructure Improvement (Utilities, Site, Traffic, Energy)

The infrastructure improvement project has been sub-divided into 24 categories. Certain project categories have been further divided into multiple projects to allow for tracking of different buildings or activities. Not all project categories had expenditures during the period tested. Expenditures were reviewed for the following areas:

- L1-A. San Jose Hills Entrance Intersection – Current year expenditures tested included construction and inspection.
- L1-C. Site Improvement/Grading South Temple Ave. – Current year expenditures tested included engineering services.

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RESULTS OF PROCEDURES (continued)

Project L1 – Infrastructure Improvement (Utilities, Site, Traffic, Energy)
(continued)

- L1-E. Bonita and Walnut Intersection – Current year expenditures tested included electrical work.
- L1-I2. Campus Interior Site Improvements South of Building 12 – Current year expenditures tested included construction and architectural services.
- L1-I5. Campus Student Seating Areas – Current year expenditures tested included landscaping.
- L1-P. Architect and Engineering Project, North Quad Utility Improvements – Current year expenditures tested included architectural design services.
- L1-Q1. Utility Infrastructure SW Building 47 – Current year expenditures tested included construction and lead and asbestos abatement.
- L1-U2. Energy Projects, Building 23A – Current year expenditures tested included construction, labor, and materials.

Project L3 – Temporary Space

The temporary space project has been sub-divided into 11 categories. Not all project categories had expenditures during the period tested. Expenditures were reviewed for the following areas:

- L3-F1. Temporary Space, Building 21E – Current year expenditures tested included rental costs for temporary restrooms.
- L3-F2. Temporary Space, Building 21F – Current year expenditures tested included construction.

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RESULTS OF PROCEDURES (continued)

Project L3 – Temporary Space (continued)

- L3-F3. Temporary Space, Building 21G – Current year expenditures tested included construction.
- L3-F4. Temporary Space, Building 21H – Current year expenditures tested included construction.
- L3-F5. Temporary Space, Building 21I – Current year expenditures tested included construction.
- L3-F6. Temporary Space, Building 21J – Current year expenditures tested included construction.

Project L4 – Demolition

The demolition project has been sub-divided into four categories. Not all project categories had expenditures during the period tested. Expenditures were reviewed in the following areas:

- L4-B. Building 16 Demolition – Current year expenditures tested included demolition.

Project L7 – Campus-wide Improvement Projects

The campus-wide improvement project has been sub-divided into 21 categories. Not all project categories had expenditures during the period tested. Expenditures were reviewed in the following areas:

- L7-B. Building 12 Renovation for Classroom Space – Current year expenditures tested included architectural design, construction, flooring installation, and painting.

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RESULTS OF PROCEDURES (continued)

Project L7 – Campus-wide Improvement Projects (continued)

- L7-C1. Building 47 Facilities Plan Room and Renovation – Current year expenditures tested included architectural services, construction, the purchase of furniture, and lead and asbestos abatement.
- L7-C2. Food Service Building – Current year expenditures tested included architectural planning.
- L7-C8. Student Service Annex – Current year expenditures tested included architectural and pre-construction services.
- L7-C12. Agricultural Sciences – Current year expenditures tested included architectural services and construction.
- L7-C13. Design and Online Technology – Current year expenditures tested included mechanical improvement and purchase of furniture.
- L7-C19. Founders Hall Alterations – Current year expenditures tested included construction and furniture.

Project L8 – Construction Support

Current year expenditures tested included architectural planning and design and professional services for the District's five-year construction plan.

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RESULTS OF PROCEDURES (continued)

Measure RR Bond Projects – Bond Construction Funds

In 2008, the District put forward, as adopted by the Board of Trustees, the Official Ballot for Measure RR which describes the projects to be completed with the bond funding. During August 2013, the District issued Series A and B of the Measure RR bonds. Budget amounts below were provided by the District and may be subject to further revision. The District has incurred cumulative total costs of \$24,717,114 through June 30, 2014, all of which were expended during fiscal year ended June 30, 2014. The projects and related costs are outlined below:

	<u>Total Budget</u>	<u>Actual Costs for Fiscal Year Ended June 30, 2014</u>	<u>Cumulative Costs through June 30, 2014</u>
Project B Business and Computer Technology	\$ 21,033,918	\$ 1,882,032	\$ 1,882,032
Project C Child Development Center	500,000	255,404	255,404
Project D Athletics Complex Phase 2	26,500,000	1,039,958	1,039,958
Project F Classroom Building Renovation	1,204,574		
Project H Fire Academy	6,130,000	782,811	782,811
Project J Parking, Public Safety, and Traffic Improvements	25,235,380	2,021,674	2,021,674
Project K Scheduled Maintenance	5,170,000	339,807	339,807
Project L1 Infrastructure Improvement Utilities, Site, Traffic, Energy	13,855,470	3,795,804	3,795,804
Project L3 Temporary Space	1,075,000	171,414	171,414
Project L4 Demolition	800,000	48,918	48,918
Project L5 Administration Building Remodel	3,957,750	1,279,833	1,279,833
Project L6 Contingency	1,181,475		
Project L7 Campus-wide Improvement Projects	31,179,088	9,597,105	9,597,105
Project L8 Construction Support	5,916,760	3,502,354	3,502,354
Bond Projects Reserve	1,083,240		
Bond Investment/Interest Reserves	750,000		
	<u>\$ 145,572,655</u>	<u>\$ 24,717,114</u>	<u>\$ 24,717,114</u>

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RESULTS OF PROCEDURES (continued)

The following list outlines the detailed expenditures tested for the fiscal year ended June 30, 2014. The costs tested appear appropriate for the respective projects.

Project B – Business and computer technology

Current year expenditures tested included architectural services and construction.

Project C – Child Development Center

Current year expenditures tested included a settlement paid for project completion.

Project D – Athletics Complex Phase 2

Current year expenditures tested included architectural services and construction.

Project J – Parking, Public Safety, and Traffic Improvements

Current year expenditures tested included architectural design and construction.

Project K – Scheduled Maintenance

The scheduled maintenance project has been sub-divided into 35 categories. Not all project categories had expenditures during the period tested. Expenditures were reviewed for the following areas:

- K-26. Scheduled Maintenance 2013/14 – Current year expenditures tested included DSA fees for plan review.

Project L1 – Infrastructure Improvement (Utilities, Site, Traffic, Energy)

The infrastructure improvement project has been sub-divided into 24 categories. Certain project categories have been further divided into multiple projects to allow for tracking of different buildings or activities. Not all project categories had expenditures during the period tested. Expenditures were reviewed for the following areas:

- L1-I2. Site Improvement – South of Building 12 – Current year expenditures tested included construction.

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RESULTS OF PROCEDURES (continued)

Project L1 – Infrastructure Improvement (Utilities, Site, Traffic, Energy)
(continued)

- L1-Q1. Utility Infrastructure South West Building 47 – Current year expenditures tested included construction.
- L1-S1. Utility Infrastructure North East Building 12 – Current year expenditures tested included construction.

Project L3 – Temporary Space

The temporary space project has been sub-divided into 11 categories. Not all project categories had expenditures during the period tested. Expenditures were reviewed for the following areas:

- L3-F1. Portable Building 21E – Current year expenditures tested included construction.
- L3-F2. Portable Building 21F – Current year expenditures tested included construction.
- L3-F3. Portable Building 21G – Current year expenditures tested included construction.
- L3-F4. Portable Building 21H – Current year expenditures tested included construction.
- L3-F5. Portable Building 21I – Current year expenditures tested included construction.
- L3-F6. Portable Building 21J – Current year expenditures tested included construction.

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RESULTS OF PROCEDURES (continued)

Project L5 – Administration Building Remodel

The Administration Building Remodel project has been sub-divided into 7 categories. Not all project categories had expenditures during the period tested. Expenditures were reviewed for the following areas:

- L5. Administration Building Remodel and Site Improvement – Current year expenditures tested included labor and material for construction.
- L5-B1. Technology Network Equipment – Current year expenditures tested included purchase of technology and networking equipment.
- L5-B2. Technology Computer Replacement – Current year expenditures tested included purchase of computers.

Project L7 – Campus-wide Improvement Projects

The campus-wide improvement project has been sub-divided into 21 categories. Not all project categories had expenditures during the period tested. Expenditures were reviewed in the following areas:

- L7. Building 2 Chilling/Cooling Tower – Current year expenditures tested included labor and material for chiller replacement.
- L7-B. Building 12 Renovation for Class Space – Current year expenditures tested included labor and material for construction.
- L7-C1. Building 47 – Facilities Plan Renovation – Current year expenditures tested included labor and material for construction.
- L7-C12. Agricultural Science – Current year expenditures tested included architectural services and construction.
- L7-C13. Design and Online Technology – Current year expenditures tested included architectural services.

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RESULTS OF PROCEDURES (continued)

L7-C22. Audiovisual Upgrade Improvement – Current year expenditures tested included purchase of audio visual equipment.

Project L8 – Construction Support

Current year expenditures tested included legal services related to District bond issuances and various construction contracts.

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CONCLUSION

The results of our tests indicated that, in all significant respects, the Mt. San Antonio Community College District has properly accounted for the expenditures associated with bond construction funds, lease revenue funds, and BAN funds. Additionally, expenditures associated with bond construction funds were made on authorized Measure R and Measure RR bond projects, and expenditures associated with lease revenue funds and BAN funds were made on authorized Measure RR bond projects. Further, the bond construction funds, lease revenue funds, and BAN funds were not used for salaries of school administrators or other operating expenditures.

In addition, the results of our tests indicated that, in all significant respects, the District complied with the applicable California Education Code requirements for which the purpose of a Citizens' Oversight Committee is established. Our audit does not provide a legal determination on the District's compliance with these requirements.