

**VENTURA COUNTY COMMUNITY COLLEGE DISTRICT**

**PROPOSITION 39 GENERAL OBLIGATION BONDS  
MEASURE S  
PERFORMANCE AUDIT**

**Fiscal Year Ended June 30, 2013**

**VENTURA COUNTY COMMUNITY COLLEGE DISTRICT**

**PROPOSITION 39 GENERAL OBLIGATION BONDS  
MEASURE S  
PERFORMANCE AUDIT**

**June 30, 2013**

**CONTENTS**

|  | <b><u>Page</u></b> |
|--|--------------------|
| <b>Independent Auditor’s Report.....</b> | <b>1</b>           |
| <b>Background Information .....</b>      | <b>2</b>           |
| <b>Objectives.....</b>                   | <b>3</b>           |
| <b>Scope of the Audit .....</b>          | <b>3</b>           |
| <b>Procedures Performed.....</b>         | <b>4</b>           |
| <b>Conclusion .....</b>                  | <b>5</b>           |



## INDEPENDENT AUDITOR'S REPORT

The Board of Trustees  
The Citizens' Oversight Committee  
Ventura County Community College District  
255 West Stanley Avenue, Suite 150  
Ventura, CA 93001

We have conducted a performance audit of the Ventura County Community College District (the "District"), Measure S General Obligation Bond funds for the fiscal year ended June 30, 2013.

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 conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our audit was limited to the objectives listed on page 3 of this report which includes determining the District's compliance with the performance requirements for the Proposition 39 Measure S General Obligation Bonds under the applicable provisions of Section 1(b)(3)(C) of Article XIII A of the California Constitution and Sections 15624 and 15272 – 15286 of the California Education Code as they apply to the Bonds and the net proceeds thereof. 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 control 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 Sections 15624 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, in all significant respects, the District expended Measure S General Obligation Bond funds for the fiscal year ended June 30, 2013, only for the specific projects developed by the District's Board of Trustees, and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution and Sections 15624 and 15272 – 15286 of the California Education Code.

*Vicenti, Lloyd & Stutzman LLP*

VICENTI, LLOYD & STUTZMAN<sup>LLP</sup>  
Glendora, CA  
September 20, 2013

**VENTURA COUNTY COMMUNITY COLLEGE DISTRICT**

**PROPOSITION 39 GENERAL OBLIGATION BONDS  
MEASURE S  
PERFORMANCE AUDIT**

**June 30, 2013**

**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. In March 2002, a general obligation bond proposition (Measure S) of the Ventura County Community College District was approved by the voters of the District. Measure S authorized the District to issue up to \$356,347,814 of general obligation bonds to finance various capital projects and related costs, as specified in the bond measure provisions.

Pursuant to the requirements of Proposition 39 and related state legislation, the Board of Trustees of the District appropriately established a Citizens' Oversight Committee. The principal purpose of the Citizens' Oversight Committee, as set out in state law, is to inform the public as to the expenditures made using the proceeds of the bonds issued pursuant to the Measure S bond authorization. The Citizens' Oversight Committee is required to issue at least one report annually as to its activities and findings.

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 deposited into the Measure S Bond Construction Fund have been expended only for the authorized bond projects.

**VENTURA COUNTY COMMUNITY COLLEGE DISTRICT**

**PROPOSITION 39 GENERAL OBLIGATION BONDS  
MEASURE S  
PERFORMANCE AUDIT**

**June 30, 2013**

**OBJECTIVES**

The objectives of our performance audit were to:

- Determine the expenditures charged to the District Measure S Bond Construction Fund.
- Determine whether expenditures charged to the Measure S Bond Construction Fund have been made in accordance with the bond project list approved by the voters through the approval of Measure S in March 2002.
- Note any incongruities, system weaknesses, or non-compliance with specific California Education Code sections related to bond oversight and provide recommendations for improvement.
- Provide the District Board of Trustees and the Citizens' Oversight Committee with a performance audit as required under the guidelines of the California Constitution and Proposition 39.

**SCOPE OF THE AUDIT**

The scope of our performance audit covered the fiscal year from July 1, 2012 to June 30, 2013. The sample of expenditures tested included object and project codes associated with the bond projects. The propriety of expenditures for capital projects and maintenance projects funded through other state or local funding sources, other than the proceeds of the bonds, were not included within the scope of our audit. Expenditures incurred subsequent to June 30, 2013 were not reviewed or included within the scope of our audit or in this report.

**VENTURA COUNTY COMMUNITY COLLEGE DISTRICT**

**PROPOSITION 39 GENERAL OBLIGATION BONDS  
MEASURE S  
PERFORMANCE AUDIT**

**June 30, 2013**

**PROCEDURES PERFORMED**

We obtained the general ledger and the project expenditure reports prepared by the District for the fiscal year ended June 30, 2013 for the Measure S Bond Construction Fund. We also reviewed documentation, including the District website, for compliance with California Education Code Sections 15624 and 15272 – 15286. Within the fiscal year audited, we obtained the actual invoices and other supporting documentation for expenditures to ensure compliance with the requirements of Proposition 39 and Measure S with regards to the approved bond projects list. We performed the following procedures:

- We reviewed the projects listed to be funded with general obligation bond proceeds as set out in the Measure S election documents.
- We selected a sample of expenditures for the fiscal year ended June 30, 2013 and reviewed supporting documentation to ensure that such funds were properly expended on the authorized bond projects;
- We verified on a sample basis that funds from the Measure S Bond Construction Fund were expended on authorized bond projects and not used for salaries of school administrators or other operating expenses of the District.

**VENTURA COUNTY COMMUNITY COLLEGE DISTRICT**

**PROPOSITION 39 GENERAL OBLIGATION BONDS  
MEASURE S  
PERFORMANCE AUDIT**

**June 30, 2013**

**CONCLUSION**

The results of our tests indicated that, in all significant respects, the District has properly accounted for the expenditures of the funds held in the Measure S Bond Construction Fund and that such expenditures were made on authorized bond projects and not expended for salaries of school administrators or other operating expenditures.