



**MEASURE Q**  
**General Obligation Bonds**

**FINANCIAL AUDIT REPORT**  
**June 30, 2019**

**Solano Community College District**





**MEASURE Q**  
**General Obligation Bonds**

**FINANCIAL AUDIT**  
**June 30, 2019**



**SOLANO COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BONDS (MEASURE Q)**

**FINANCIAL AUDIT  
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JUNE 30, 2019**

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## INDEPENDENT AUDITORS' REPORT

Governing Board and,  
Citizens Bond Oversight Committee  
Solano Community College District  
Fairfield, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Solano Community College District's (the District), Measure Q Fund General Obligation Bonds, and the related notes to the financial statements, as of and for the year ended June 30, 2019, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of financial statements, whether due to error or fraud. In making those risk assessments, the auditor considers internal control relevant to the District's Measure D funds preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's Measure D funds internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the General Obligation Bonds specific to Measure Q of the Solano Community College District at June 30, 2019, and the changes in financial position for the period then ended in conformity with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 1, the financial statements of the General Obligation Bonds specific to Measure Q are intended to present the financial position and the changes in financial position attributable to the transactions of that Fund. They do not purport to, and do not, present fairly the financial position of the District as of June 30, 2019, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2020, on our consideration of the District's Measure Q Fund internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's Measure Q Fund internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's Measure Q Fund internal control over financial reporting and compliance.



San Ramon, California  
January 24, 2020

**SOLANO COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BONDS (MEASURE Q)**

**BALANCE SHEET  
JUNE 30, 2019**

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ASSETS

Cash and cash equivalents	\$ 43,104,721
Total Assets	<u>\$ 43,104,721</u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable	\$ 2,445,509
Total Liabilities	<u>2,445,509</u>

FUND BALANCES

Fund balances	
Restricted	40,659,212
Total Fund Balance	<u>40,659,212</u>
Total Liabilities and Fund Balance	<u>\$ 43,104,721</u>

The accompanying notes are an integral part of these financial statements.



**SOLANO COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BONDS (MEASURE Q)**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2019**

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REVENUES

Interest income	\$ 1,207,650
Other income	25
Total Revenues	<u>1,207,675</u>

EXPENDITURES

Current Expenditures	
Salaries	303,205
Benefits	132,900
Services and operating expenditures	346,954
Capital outlay	24,299,511
Debt service	<u>10,539,560</u>
Total Expenditures	<u>35,622,130</u>

NET CHANGE IN FUND BALANCE	(34,414,455)
FUND BALANCE, Beginning of Year	<u>75,073,667</u>
FUND BALANCE, End of Year	<u>\$ 40,659,212</u>

The accompanying notes are an integral part of these financial statements.

# **SOLANO COMMUNITY COLLEGE DISTRICT GENERAL OBLIGATION BONDS (MEASURE Q)**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019**

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### *NOTE #1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

The accounting policies of the Solano Community College District (the District) Measure Q Fund conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants. The District's Measure Q Fund accounts for financial transactions in accordance with the policies and procedures of the California Community Colleges Budget and Accounting Manual.

#### **Financial Reporting Entity**

The financial statements include only the Measure Q General Obligation Bond fund of the Solano Community College District. This fund was established to account for the expenditures of proceeds from general obligation bonds issued under the General Obligation Bonds Election of 2012. The authorized issuance amount of the bonds is \$348,000,000. Series A of the bonds was sold on June 4, 2013, for \$89,996,899, Series B was sold June 4, 2013 for \$30,000,000, and Series C was sold April 6, 2017, for \$90,000,000. These financial statements are not intended to present fairly the financial position and results of operations of the Solano Community College District in compliance with accounting principles generally accepted in the United States of America.

#### **Fund Accounting**

The Measure Q Funds are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

#### **Basis of Accounting**

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

The financial statements of the Solano Community College District Measure Q fund are accounted for under the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current fiscal period. For the District, available means expected to be received within 60 days of fiscal year-end. Expenditures are recognized in the accounting period in which the liability is incurred (when goods are received or services rendered), except for unmatured interest on long-term debt, which is recognized when due.

#### **Budgetary Data**

The budgetary process is prescribed by provisions of the California Education Code and requires the governing board to hold a public hearing and adopt an operating budget no later than July 1<sup>st</sup> of each year. The District governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

# SOLANO COMMUNITY COLLEGE DISTRICT GENERAL OBLIGATION BONDS (MEASURE Q)

## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2019

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### **Encumbrances**

The District utilizes an encumbrance accounting system under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are liquidated when the commitments are paid, and all outstanding encumbrances lapse at June 30.

### **Fund Balance – Measure Q Funds**

As of June 30, 2019, the fund balances is classified as follows:

**Restricted** – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

### **Spending Order**

When an expenditure is incurred for purposes for which both restricted and unrestricted funds are available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned funds are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

### *NOTE #2 – INVESTMENTS*

#### **Policies and Practices**

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instruments; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

**SOLANO COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BONDS (MEASURE Q)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

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**Investment in County Treasury** - The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

**Investments Authorized**

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

**Interest Rate Risk** - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District manages its exposure to interest rate risk by depositing substantially all of its funds in the County Treasury Pool. The fair value of deposits at the County Treasury at June 30, 2019, was \$43,104,721 and the weighted average maturity of the pool is 1.42 year.

**Credit Risk** - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Measure Q fund only invests in County Pooled Investment Funds which are not required to be rated.

**SOLANO COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BONDS (MEASURE Q)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

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*NOTE #3 – FAIR VALUE MEASUREMENTS*

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the Contra Costa County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

*NOTE #4 – ACCOUNTS PAYABLE*

As of June 30, 2019, the Measure Q fund had \$2,445,509 vendor payable.

*NOTE #5 – FUND BALANCES*

Fund balances are composed of \$40,659,212 restricted for capital projects.

**SOLANO COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BONDS (MEASURE Q)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

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*NOTE #6 – COMMITMENTS AND CONTINGENCIES*

**Construction Commitments**

As of June 30, 2019, the Measure Q fund had the following commitments with respect to unfinished capital projects:

CAPITAL PROJECT	Construction Funds Committed	Expected Date of Completion
Portable Low Voltage revisions (Small Capital Project)	\$ 11,450	To Be Determined
Biotechnology and Science Building	21,519	To Be Determined
Vacaville Center Annex Building Monument Sign	1,145	To Be Determined
Science Building (Phase 1)	1,541	To Be Determined
Horticulture Modular Restroom Building	45,310	To Be Determined
	<u>\$ 80,965</u>	

**Litigation**

The District is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the District at June 30, 2019.



**INDEPENDENT AUDITOR'S REPORT**



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Governing Board and  
Measure Q Citizens Bond Oversight Committee  
Solano Community College District  
Fairfield, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the accompanying financial statements of the Solano Community College District (the District) Measure Q Fund General Obligation Bonds, and the related notes of the financial statements, as of and for the year ended June 30, 2019, and have issued our report thereon dated January 24, 2020.

**Emphasis of Matter**

As discussed in Note 1, the financial statements of the General Obligation Bonds specific to Measure Q Funds are intended to present the financial position and the changes in financial position attributable to the transactions of that Fund. They do not purport to, and do not, present fairly the financial position of the District as of June 30, 2019, and the changes in its financial position for the year then ended in accordance accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.



A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's Measure Q financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Giving these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weakness. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's Measure Q Fund financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the District's Measure Q Fund internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's Measure Q Fund internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



San Ramon, California  
January 24, 2020



## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**SOLANO COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BONDS (MEASURE Q)**

**FINANCIAL STATEMENT FINDINGS  
JUNE 30, 2019**

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None reported.

**SOLANO COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BONDS (MEASURE Q)**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2019**

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There were no audit findings reported in the prior year's Schedule of Findings and Questioned Costs.



**MEASURE Q**  
**General Obligation Bonds**

**PERFORMANCE AUDIT**  
**June 30, 2019**



**SOLANO COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BONDS (MEASURE Q)**

**PERFORMANCE AUDIT  
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JUNE 30, 2019**

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## INDEPENDENT ACCOUNTANTS' REPORT

Governing Board and  
Measure Q Citizens' Bond Oversight Committee  
Solano Community College District  
Fairfield, California

We were engaged to conduct a performance audit of the Solano Community College District (the District) General Obligation Bonds (Measure Q) Fund for the year ended June 30, 2019.

We conducted our performance audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable basis for our conclusion based on our audit objectives.

Our audit was limited to the objectives listed below, which include determining the District's compliance with the performance requirements as referred to in Article XIII A Section 1(b)(3)(C) of the California Constitution. Management is responsible for Solano Community College District's compliance with those requirements.

In planning and performing our performance audit, we obtained an understanding of the District's internal control in order to determine if the internal controls were adequate to help ensure the District's compliance with the requirements of Proposition 39, and outlined in Article XIII A Section 1(b)(3)(C) of the California Constitution but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

The results of our tests indicated that the District expended Measure Q funds only for the specific projects approved by the voters, in accordance with Proposition 39, and outlined in Article XIII A Section 1(b)(3)(C) of the California Constitution.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

San Ramon, California  
January 24, 2020



# **SOLANO COMMUNITY COLLEGE DISTRICT GENERAL OBLIGATION BONDS (MEASURE Q)**

**JUNE 30, 2019**

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## **AUTHORITY FOR ISSUANCE**

The general obligation bonds associated with Measure Q were issued pursuant to the Constitution and Laws of the State of California (the State), including the provisions of Chapters 1 and 1.5 of Part 10 of the California Education Code, and other applicable provisions of law. The bonds were authorized to be issued by a resolution adopted by the Board of Supervisors of the County (the Resolution), pursuant to a request of the District made by a resolution adopted by the Board of Education of the District on July 18, 2012.

The District received authorization at an election held on November 6, 2012, to issue bonds of the District in an aggregate principal amount not to exceed \$348,000,000, to finance specific construction and renovation projects approved by eligible voters within the District. The proposition received approval by at least 55 percent of the votes cast by eligible voters within the District (the 2012 Authorization).

## **PURPOSE OF ISSUANCE**

The net proceeds of the bonds, and any other series of general obligation bonds issued under the Authorization, will be used for the purposes specified in the District bond proposition submitted at the Election, which includes “to prepare Solano/Yolo County students/veterans for universities/jobs by: Expanding student, military, disabled veteran access to affordable education; Meeting earthquake/fire safety codes; upgrading employer job placement facilities; Upgrading engineering, welding, nursing/firefighter training centers; Acquiring, constructing/repairing facilities, sites/equipment, shall Solano Community College District issue \$348,000,000 in bonds, at legal rates with citizens’ oversight, annual audits/no money for pensions/administrators’ salaries?”

## **AUTHORITY FOR THE AUDIT**

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act, Proposition 39. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by school districts, community college, and county offices of education, “for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of rental property for school facilities”, upon the approval of 55% of the electorate. In addition to reducing the approval threshold from two thirds to 55%, Proposition 39 and enacting legislation (AB 1908 and AB 2659), requires the following accountability measures as codified in Education Code Sections 15278-15282:

- 1) Requires that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A Section 1(b)(3)(C) of the California Constitution, and not for any other purpose, including teacher and administrator salaries and other school operating expenditures.
- 2) The district must list the specific facilities projects to be funded in the ballot measure, and must certify that the governing board has evaluated safety, class size reduction, and information technology needs in developing the project list.
- 3) Requires the district appoint a citizen’s oversight committee.
- 4) Requires the district to conduct an annual independent financial audit, and performance audit in accordance with the Governmental Auditing Standards issued by the Comptroller General of the United States, of the bond proceeds until all of the proceeds have been expended.
- 5) Requires the district to conduct an annual independent performance audit to ensure that the funds have been expended only on the specified projects listed.

# SOLANO COMMUNITY COLLEGE DISTRICT GENERAL OBLIGATION BONDS (MEASURE Q)

**JUNE 30, 2019**

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## **OBJECTIVES OF THE AUDIT**

- 1) Determine whether expenditures charged to the Measure Q Fund have been made in accordance with the bond project list approved by the voters through the approval of Measure Q.
- 2) Determine whether salary transactions, charged to the Measure Q Fund, were in support of Measure Q, and not for District general administration or operations.

## **SCOPE OF THE AUDIT**

The scope of our performance procedures covered the period of July 1, 2018 to June 30, 2019. The population of expenditures tested included all object and project codes associated with the bond projects. The propriety of expenditures for capital projects and maintenance projects funded through State or other local funding sources, other than proceeds of the bonds, were not included within the scope of the audit. Expenditures incurred subsequent to June 30, 2019 were not reviewed or included in the scope of our audit or in this report.


## **PROCEDURES AND RESULTS**

We obtained the general ledger and the project expenditure reports prepared by the District for the fiscal year ended June 30, 2019 for the Measure Q Fund. 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 Article XIII A, Section 1(b)(3)(C) of the California Constitution and Measure Q as to the approved bond projects list. We performed the following procedures:

1. We selected a sample of expenditures for the period starting July 1, 2018 and ending June 30, 2019, and reviewed supporting documentation to ensure that such funds were properly expended on the specific projects listed in the ballot text. See supplemental information for items tested.
2. Our sample included \$252,960 payroll related and \$33,214,547 non-payroll related transactions totaling \$33,467,507. This represents 93 percent of the total expenditures of \$35,622,130.
3. We verified that funds from the Measure Q were expended for the construction, renovation, furnishing and equipping of District facilities constituting authorized bond projects.

## **CONCLUSION**

The results of our tests indicated that, in all significant respects, the Solano Community College District has properly accounted for the expenditures held in the Measure Q Fund and that such expenditures were made for authorized Bond projects.

  
San Ramon, California  
January 24, 2020

**SOLANO COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BONDS (MEASURE Q)**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2019**

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None reported.

**SOLANO COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION BONDS (MEASURE Q)**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2019**

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There were no audit findings reported in the prior year's Schedule of Findings and Questioned Costs.