

**SOLANO COMMUNITY COLLEGE DISTRICT**  
**PROPOSITION 39 GENERAL OBLIGATION BONDS**  
**MEASURE Q (2012)**  
**FINANCIAL AND PERFORMANCE AUDITS**  
**YEAR ENDED JUNE 30, 2023**



CPAs | CONSULTANTS | WEALTH ADVISORS

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**FINANCIAL AUDIT OF  
BOND CONSTRUCTION FUND  
MEASURE Q (2012)**



## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Audit of the Financial Statements**

We have audited the accompanying financial statements of the Bond Construction Fund – Measure Q (2012) of the Solano Community College District (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Bond Construction Fund – Measure Q (2012) of the District as of June 30, 2023, and the changes in their respective financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Solano Community College District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Emphasis of Matter***

As discussed in Note 1, the financial statements present fairly only the Bond Construction Fund – Measure Q (2012), and do not purport to, and do not, present fairly the financial position of the District as of June 30, 2023, or the change 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.

### ***Responsibilities of Management 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.

***Auditors' Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

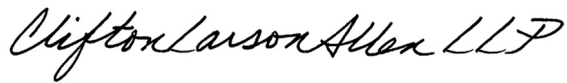
- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Solano Community College District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Board of Trustees and  
Citizens Bond Oversight Committee  
Solano Community College District

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2023, on our consideration of the District's internal control over the Bond Construction Fund – Measure Q (2012) 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 solely to 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 internal control over the Bond Construction Fund – Measure Q (2012) 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 internal control over the Bond Construction Fund – Measure Q (2012) financial reporting and compliance.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

**CliftonLarsonAllen LLP**

Glendora, California  
December 20, 2023

**SOLANO COMMUNITY COLLEGE DISTRICT  
BOND CONSTRUCTION FUND – MEASURE Q (2012)  
BALANCE SHEET  
JUNE 30, 2023**

**ASSETS**

|                           |                             |
|---------------------------|-----------------------------|
| Cash and Cash Equivalents | <u>\$ 70,185,611</u>        |
| Total Assets              | <u><u>\$ 70,185,611</u></u> |

**LIABILITIES AND FUND BALANCE**

Liabilities:

|                   |                     |
|-------------------|---------------------|
| Accounts Payable  | <u>\$ 3,726,451</u> |
| Total Liabilities | <u>3,726,451</u>    |

Fund Balance:

|            |                   |
|------------|-------------------|
| Restricted | <u>66,459,160</u> |
|------------|-------------------|

|                                    |                             |
|------------------------------------|-----------------------------|
| Total Liabilities and Fund Balance | <u><u>\$ 70,185,611</u></u> |
|------------------------------------|-----------------------------|

*See accompanying Notes to Financial Statements.*

**SOLANO COMMUNITY COLLEGE DISTRICT  
BOND CONSTRUCTION FUND – MEASURE Q (2012)  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2023**

**REVENUES**

|                 |              |
|-----------------|--------------|
| Interest Income | \$ 1,763,551 |
|-----------------|--------------|

**EXPENDITURES**

|                                     |                   |
|-------------------------------------|-------------------|
| Salaries                            | 352,052           |
| Benefits                            | 172,262           |
| Supplies                            | 1,174             |
| Services and Operating Expenditures | 32,031            |
| Capital Outlay                      | <u>17,110,721</u> |
| Total Expenditures                  | <u>17,668,240</u> |

|                                   |              |
|-----------------------------------|--------------|
| <b>NET CHANGE IN FUND BALANCE</b> | (15,904,689) |
|-----------------------------------|--------------|

|                                  |                   |
|----------------------------------|-------------------|
| Fund Balance - Beginning of Year | <u>82,363,849</u> |
|----------------------------------|-------------------|

|                                   |                             |
|-----------------------------------|-----------------------------|
| <b>FUND BALANCE - END OF YEAR</b> | <u><u>\$ 66,459,160</u></u> |
|-----------------------------------|-----------------------------|

*See accompanying Notes to Financial Statements.*

**SOLANO COMMUNITY COLLEGE DISTRICT  
BOND CONSTRUCTION FUND – MEASURE Q (2012)  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Accounting Policies**

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles as prescribed by the *Governmental Accounting Standards* Board and Audits of State and Local Governmental Units issued by the American Institute of Certified Public Accountants.

**Financial Reporting Entity**

The financial statements include only the Bond Construction Fund – Measure Q (2012) of the Solano Community College District. This fund was established to account for the proceeds of general obligation bonds issued under the General Obligation bond election of July 2012 and to account for the project expenditures authorized under Measure Q. 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.

**Basis of Accounting**

The Bond Construction Fund – Measure Q (2012) is maintained on the modified accrual basis of accounting. As such, revenues are recognized when they become susceptible to accrual, which is to say, when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized in the accounting period in which the liability is incurred (when goods are received or services rendered).

Cash in the county treasury is recorded at cost, which approximates fair value.

**Fund Structure**

The statements of revenues, expenditures, and change in fund balance is a statement of financial activities of the Bond Construction Fund – Measure Q related to the current reporting period. Fund expenditures frequently include amounts for land, buildings, equipment, retirement of indebtedness, transfers to other funds, etc. Consequently, these statements do not purport to present the result of operations or the net income or loss for the period as would a statement of income for a profit-type organization.

**Budgets and Budgetary Accounting**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. The District's governing board adopts an operating budget no later than July 1 in accordance with State law. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements. The Board revises this budget during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

**SOLANO COMMUNITY COLLEGE DISTRICT  
BOND CONSTRUCTION FUND – MEASURE Q (2012)  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Encumbrances**

The Bond Construction Fund – Measure Q (2012) utilize 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.

**Fund Balance Classification**

The governmental fund financial statements present fund balance classifications that comprise a hierarchy based on the extent to which the District is bound to honor constraints on the specific purposes for which amounts can be spent. Amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation are considered restricted.

The fund balances of the Bond Construction Fund – Measure Q (2012) is therefore classified as restricted.

**Spending Order Policy**

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances 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.

**Capital Assets and Long-Term Debt**

The accounting and reporting treatment applied to the capital assets and long-term liabilities associated with the Bond Construction Fund – Measure Q (2012) are determined by its measurement focus. The Bond Construction Fund – Measure Q (2012) are accounted for on a spending or “financial flow” measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered a measure of “available spendable resources.” Thus, the capital assets and long-term liabilities associated with the Bond Construction Fund – Measure Q (2012) are accounted for in the government activities financial statements of the District.

**Use of Estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**SOLANO COMMUNITY COLLEGE DISTRICT  
BOND CONSTRUCTION FUND – MEASURE Q (2012)  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 2 DEPOSITS AND INVESTMENTS**

**Cash in County**

In accordance with the Budget and Accounting Manual, the District maintains substantially all of its cash in the Solano County Treasury as part of the common investment pool. The District is considered an involuntary participant in the investment pool. These pooled funds are recorded at amortized cost which approximates fair value. Fair value of the pooled investments at June 30, 2023 is measured at the amortized cost. The District's investments in the fund are considered to be highly liquid and reflected in the financial statements as cash and cash equivalents in the statement of net position.

The County is authorized to deposit cash and invest excess funds by California Government Code Sections 53601, 53635, 53534 and 53648. The county is restricted to invest time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. The funds maintained by the county are either secured by federal depository insurance or are collateralized.

The county investment pool is not required to be rated. Interest earned is deposited quarterly into participating funds, except for the student financial aid fund and the restricted general fund, in which case interest earned is credited to the general fund. Any investment losses are proportionately shared by all funds in the pool.

The county investment pool is not registered as an investment company with the Securities and Exchange Commission (SEC) nor is it an SEC Rule 2a7-like pool. California Government Code statutes and the County Board of Supervisors set forth the various investment policies that the County Treasurer follow. The method used to determine the value of the participant's equity withdrawn is based on the book value, which is amortized cost, of the participant's percentage participation on the date of such withdrawals.

The pool sponsor's annual financial report may be obtained from Solano County-Auditor/Controller's Office 675 Texas Street Suite 2810, Fairfield CA 94533.

**SOLANO COMMUNITY COLLEGE DISTRICT  
BOND CONSTRUCTION FUND – MEASURE Q (2012)  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 3 BONDED DEBT**

On July 18, 2012, the District voters authorized through Measure Q (2012) the issuance and sale of general obligation bonds totaling \$348,000,000 which provides that proceeds of the bonds will be used to finance the acquisition and improvement of real property.

The outstanding general obligation bonded debt of the District at June 30, 2023 is:

| General Obligation<br>Bonds         | Date of<br>Issue | Maturity<br>Date | Interest<br>Rate | Original<br>Issue | Bonds<br>Outstanding<br>6/30/2023 |
|-------------------------------------|------------------|------------------|------------------|-------------------|-----------------------------------|
| Series A                            | 6/18/2013        | 8/1/2041         | 2.0%-5.49%       | \$ 89,996,899     | \$ 10,513,433                     |
| Series B                            | 6/18/2013        | 8/1/2023         | 2.8%-5.5%        | 30,000,000        | 545,000                           |
| Series C                            | 4/26/2017        | 8/1/2047         | 2.0%-5.25%       | 90,000,000        | 35,290,000                        |
| 2019 Refunding Bonds*               | 11/27/2019       | 8/1/2047         | 3.094%-3.194%    | 112,650,000       | 110,085,000                       |
| Series D                            | 11/17/2020       | 8/1/2050         | 4.0%             | 30,000,000        | 25,110,000                        |
| 2021 Refunding Bonds,<br>Series A** | 10/06/2021       | 8/1/2041         | 0.183%-2.819%    | 56,915,000        | 55,640,000                        |
| 2021 Refunding Bonds,<br>Series C** | 10/06/2021       | 8/1/2041         | 1.861%-2.819%    | 18,825,000        | 18,825,000                        |
| Series E                            | 10/06/2021       | 8/1/2050         | 2.625%-4.0%      | 50,000,000        | 50,000,000                        |
| Total                               |                  |                  |                  |                   | <u>\$ 306,008,433</u>             |

\*2019 Refunding Bonds refunded certain portions of Series A and Series B.

\*\*2021 Refunding Bonds Series A and C refunded certain portions of Series A.

The repayment of the debt related to the general obligation bonds is accounted for in the District's Bond Interest and Redemption Fund which is part of the District's basic financial statements. The recognition of premiums on bonds is recorded as long-term liabilities in the basic financial statements of the District.

**NOTE 4 COMMITMENTS AND CONTINGENCIES**

As of June 30, 2023, the Bond Construction Fund – Measure Q (2012) had the following commitments with respect to unfinished projects:

| Capital Project                           | Remaining<br>Construction<br>Commitment | Expected<br>Date of<br>Completion |
|-------------------------------------------|-----------------------------------------|-----------------------------------|
| Central Plan Replacement                  | \$ 8,409,837                            | February 2025                     |
| Solar Energy                              | 7,287,614                               | July 2024                         |
| Substation 3 and 4 Replacement            | 3,898,122                               | September 2024                    |
| Vacaville Annex HVAC and Roof Replacement | 1,205,763                               | February 2024                     |
| Early Learning Center Expansion           | 890,271                                 | February 2024                     |
| Pool Deck Replacement                     | 833,917                                 | January 2024                      |
| Vallejo Autotech Security Enhancement     | 165,700                                 | December 2023                     |
| Building 1400 Lighting Upgrade            | 77,719                                  | June 2024                         |
| Annual Network Upgrades                   | 33,622                                  | December 2023                     |
| Total                                     | <u>\$ 22,802,565</u>                    |                                   |

**SOLANO COMMUNITY COLLEGE DISTRICT  
BOND CONSTRUCTION FUND – MEASURE Q (2012)  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 4   COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**Litigation**

The District is involved in claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the District's Bond Construction Fund – Measure Q (2012) financial statements.



**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  
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 financial statements of the Solano Community College District (the District) Bond Construction Fund – Measure Q (2012) as of and for the year ended June 30, 2023, and the related notes of the financial statements, and have issued our report thereon dated December 20, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Solano Community College District's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Solano Community College District's internal control. Accordingly, we do not express an opinion on the effectiveness of Solano Community College 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's Bond Construction Fund – Measure Q (2012) 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 material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Solano Community College District's Bond Construction Fund – Measure Q (2012) 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 financial statements. 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 instances 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 results of that testing, and not to provide an opinion on the effectiveness of the District's 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 internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Glendora, California  
December 20, 2023

**SOLANO COMMUNITY COLLEGE DISTRICT  
BOND CONSTRUCTION FUND – MEASURE Q (2012)  
FINANCIAL STATEMENT FINDINGS AND RESPONSES  
JUNE 30, 2023**

There were no findings related to the financial audit of the Bond Construction Fund – Measure Q (2012), for the years ended June 30, 2023 and June 30, 2022.

**PERFORMANCE AUDIT OF  
PROPOSITION 39 GENERAL OBLIGATION BONDS  
MEASURE Q (2012)**



## INDEPENDENT AUDITORS' REPORT ON PERFORMANCE

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

We have conducted a performance audit of the Solano Community College District (the District) Measure Q (2012) bond fund for the year ended June 30, 2023.

We conducted our performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusions 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 within this report which includes determining the District's compliance with the performance requirements for the Proposition 39 Measure Q (2012) General Obligation Bonds under the applicable provisions of Section 1(b)(3)(C) of Article XIII A of the California Constitution. 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. Accordingly, we do not express any assurance on internal controls.

The results of our tests indicated that, in all significant respects, the District expended Measure Q (2012) bond funds for the fiscal year ended June 30, 2023, 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.

**CliftonLarsonAllen LLP**

Glendora, California  
December 20, 2023

**SOLANO COMMUNITY COLLEGE DISTRICT  
PERFORMANCE AUDIT OF  
PROPOSITION 39 GENERAL OBLIGATION BONDS  
MEASURE Q (2012)  
JUNE 30, 2023**

**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.

On July 18, 2012, a general obligation bond proposition Measure Q (2012) of the District was approved by the voters of that District. Measure Q (2012) authorized the District to issue up to \$348,000,000 of general obligation bonds to finance specific construction and renovation projects, 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 established a Citizens' Bond Oversight Committee and appointed its members. The principal purpose of the Citizens' Bond 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 Measure Q bond authorization. The Citizens' Bond 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 Q Bond Construction Fund have been expended only for the authorized bond projects.

**OBJECTIVES**

The objectives of our performance audit were to:

- Determine the expenditures charged to the District Bond Construction Fund, Measure Q (2012).
- Determine whether expenditures charged to the Bond Construction Fund, Measure Q (2012), have been made in accordance with the bond project list developed by the District's Board of Trustees and approved by the voters through the approval of Measure Q in July 2012.
- Determine that amounts expended on salaries and benefits were only to the extent employees perform work associated with the Measure Q (2012) bond projects as allowable per Opinion 04-110 issued on November 9, 2004 by the State of California Attorney General.

**SOLANO COMMUNITY COLLEGE DISTRICT  
PERFORMANCE AUDIT OF  
PROPOSITION 39 GENERAL OBLIGATION BONDS  
BOND CONSTRUCTION FUND – MEASURE Q (2012)  
JUNE 30, 2023**

**SCOPE OF THE AUDIT**

The scope of our performance audit covered the fiscal period from July 1, 2022 to June 30, 2023. 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, 2023, were not reviewed or included within the scope of our audit or in this report.

**PROCEDURES PERFORMED**

- We identified the expenditures and projects charged to the general obligation bond proceeds by obtaining the general ledger and project listing.
- We selected a judgmental sample of expenditures for supplies, services and capital outlay considering all projects for the year ended June 30, 2023. The District expended \$17,668,240 of Measure Q (2012) Bond Construction funds for the year ended June 30, 2023.

We selected a sample of 53 non-salary expenditures totaling \$11,305,226, which is 66% of total non-salary expenditures of \$17,143,926 for Measure Q (2012) Bond Construction funds.

- We reviewed the invoices and supporting documentation to determine that expenditures charged to projects were:
  - Supported by invoices with evidence of proper approval and documentation of receipt of goods or services;
  - Supported by proper bid documentation, as applicable;
  - Properly expended on the authorized bond projects as listed on the voter-approved bond project list.

Our testing of expenditures of \$524,314 for salaries and benefits included an analysis of the employees charged to the Measure Q (2012) Bond Construction funds.

- We reviewed the payroll expenditure activity and job descriptions to determine that the amounts expended on salaries and benefits were only to the extent employees perform work associated with the Measure Q, July 2012 bond projects as allowable per Opinion 04-110 issued on November 9, 2004 by the State of California Attorney General.

**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 Q (2012) bond funds and that such expenditures were made on authorized bond projects.

Further, it was noted that the funds held in Measure Q (2012) bond funds and expended by the District were used for salaries and benefits only to the extent allowable.

