

**NAPA VALLEY UNIFIED SCHOOL DISTRICT
MEASURE H BOND
Schedule of Expenditures by Site
For the Fiscal Year Ended June 30, 2020**

| Site | Object Class | Total |
|---|------------------------|-------------------|
| Vichy-District | Capital Outlay | 826,576 |
| | Materials and Supplies | 2,611 |
| | Services | 6,807 |
| Vichy-District Total | | 835,994 |
| Vintage High School-District | Capital Outlay | 2,128,784 |
| | Materials and Supplies | 9,255 |
| | Services | 128,675 |
| Vintage High School-District Total | | 2,266,714 |
| West Park-District | Capital Outlay | 37,529 |
| | Services | 1,524 |
| West Park-District Total | | 39,053 |
| Willow-District | Capital Outlay | 731,541 |
| | Classified Benefits | 47 |
| | Classified Salaries | 494 |
| | Services | 114,089 |
| Willow-District Total | | 846,171 |
| Yountville-District | Materials and Supplies | 2,117 |
| Yountville-District Total | | 2,117 |
| Grand Total | | 65,490,430 |

NAPA VALLEY UNIFIED SCHOOL DISTRICT
MEASURE H BOND
Notes to the Program Schedule
For the Fiscal Year Ended June 30, 2020

NOTE 1 - THE PROGRAM

Proposition 39 was enacted by the voters on November 7, 2000, and changed the required majority for local voter approval of the public school and community college general obligation bonds from two-thirds to fifty-five percent of votes. It also required school districts to provide facilities to charter schools operating within their jurisdictions.

On June 7, 2016, voters approved the Napa Valley Unified School District's (the "District") Measure H Bond. Measure H authorized the District to increase its debt by \$269 million through issuing general obligation bonds in order to update, renovate, repair, construct and purchase District facilities and technology. District officials estimated the additional property tax rate required to pay off this debt at \$39 per \$100,000 of assessed valuation.

A 55 percent supermajority vote was required for the approval of Measure H.

NOTE 2 - CITIZEN'S OVERSIGHT COMMITTEE

Duties of the committee include ensuring that bond revenues are expended only for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities. The committee must also ensure that no funds are used for any teacher or administrative salaries or other school operation expenses.

Furthermore, the committee is authorized to receive, and review copies of the annual independent performance audit and the annual independent financial audit required by Article XIII A, Section 1(b)(3)(C) and Article XIII A, Section 1(b)(3)(D), respectively, of the California Constitution.

The Committee was formed by the Board of Trustees and met throughout the year. The Citizens' Bond Oversight Committee was comprised of the following members as of June 30, 2020:

| <u>Name</u> | <u>Title/Function</u> | <u>Term Expiration</u> |
|-----------------|---|------------------------|
| Beck, Richard | Business Organization within District Boundaries | 2020 |
| Brooks, Kevin | Parent/Guard And Active in Paren Org/ASB | 2020 |
| Franco, Barb | Member at Large | 2020 |
| Gramlick, Jason | Parent/Guard And Active in Paren Org/ASB | 2020 |
| Keyser, Skip | Business Organization within District Boundaries | 2020 |
| Warren, Scott | Business Organization within District Boundaries & Parent | 2020 |
| Barwick, Jill | Bonafide Tax Payers Organization | 2020 |

**SCHEDULE OF FINDINGS
AND RECOMMENDATIONS**

NAPA VALLEY UNIFIED SCHOOL DISTRICT
MEASURE H BOND
Schedule of Findings and Recommendations
For the Fiscal Year Ended June 30, 2020

This section identifies the deficiencies, significant deficiencies, material weaknesses and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

Our tests resulted in no findings and recommendations.

**NAPA VALLEY UNIFIED SCHOOL DISTRICT
MEASURE H BOND
Schedule of Prior Year Findings and Recommendations
For the Fiscal Year Ended June 30, 2020**

There were no prior year findings and recommendations to be reported.

**OTHER INDEPENDENT
AUDITOR'S REPORTS**



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

Measure H Citizens' Oversight Committee and
Governing Board Members
Napa Valley Unified School District

We have audited, 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, the financial statements of the Measure H Bond of Napa Valley Unified School District (the "District") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise Napa Valley Unified School District's Measure H Bond financial statements, and have issued our report thereon dated February 24, 2021.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Napa Valley Unified School 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Napa Valley Unified School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Napa Valley Unified School 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 misstatement 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 financial statement 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Napa Valley Unified School District's 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 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.

C & A LLP

February 24, 2021
San Jose, California



**INDEPENDENT AUDITOR’S REPORT ON PERFORMANCE AND COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL
EFFECT ON THE MEASURE H BOND PROGRAM**

Measure H Citizens’ Oversight Committee and
Governing Board Members
Napa Valley Unified School District

Compliance

We have audited Napa Valley Unified School District’s (the “District”) compliance with Measure H Bond of the June 7, 2016 election, as approved under Proposition 39, and with the performance requirements referred to in Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution and the enactment of AB 1908 (Chapter 44, Statutes of 2000).

Management’s Responsibility

Compliance with the requirements referred to above is the responsibility of the District’s management.

Auditor’s Responsibility

Our responsibility is to express an opinion on the District’s compliance with the laws and regulations identified above based on our audit. We conducted our audit of compliance 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 noncompliance with the compliance requirements referred to above that could have a material effect on compliance with the laws and regulations have occurred. An audit includes examining, on a test basis, evidence supporting the District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District’s compliance with those requirements.

Auditor Objectives

Our audit included the following objectives:

1. To obtain reasonable assurance that the proceeds of the sale of the Measure H Building Fund were only used for the purposes set forth in the ballot measure and not for any other purpose, such as teacher and administrative salaries.
2. To obtain reasonable assurance that the Governing Board of the District, in establishing the approved projects set forth in the ballot measure, evaluated the remodeling, new construction and renovations of items which will relieve overcrowding, repair local schools and improve student safety conditions of the District.
3. To obtain reasonable assurance that the District complied with the performance requirements as referred to in Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California



Constitution, the enactment of AB 1908 (Chapter 44, Statutes of 2000) and the bond measure. Management is responsible for the District's compliance with these requirements.

Scope and Methodology

To meet the objectives of our performance audit, procedures we performed included, but were not limited to, the following scope and methodology:

1. We documented and tested controls over financial reporting and compliance specific to the Measure H Building Fund, which included inquiries about, separation of duties, account coding, and procurement.
2. We verified that bond proceeds were deposited in the District's name and invested in accordance with applicable legal requirements.
3. We selected two (2) contracts and verified their compliance with the bid requirements, and that their invoices were paid within the contract terms and with board approval.
4. We tested payments made to the architectural service companies and reviewed the terms of contracts.
5. We sampled and vouched 68% of the 2019-20 expenditures to supporting documentation to ensure they were valid, allowable, accurate.
6. We verified that the funds were generally expended for the construction, renovation, furnishing, and equipping of school facilities constituting authorized bond projects.
7. We verified that the funds used to pay the salaries of district employees were allowable per Opinion 04-110 issued on November 9, 2004 by the State of California Attorney General.
8. We verified that the District was in compliance with Assembly Bill 1908 and Ed Code Section 15278, where the District is required to establish a bond oversight committee for Proposition 39 bonds that includes one active member from each of the following sectors: a business organization, senior citizens' organization, bona fide taxpayer's association, and one parent/guardian of a child enrolled in the District and one parent/guardian of a child enrolled in the District who is also a member of a parent teacher association.
9. We verified the Citizens' Oversight Committee met pursuant to Education Code Section 15280.

Results of Procedures Performed

We did not identify any exceptions to the procedures performed above, nor any exceptions to other tests that we conducted related to the Measure H Bond. Our audit of compliance was made for the purposes set forth in the Objectives section of this report and would not necessarily disclose all instances of noncompliance.



Opinion

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Measure H Bond program for the fiscal year ended June 30, 2020.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing over compliance and the results of that testing based on the standards referred to above. Accordingly, this report is not suitable for any other purpose.

C & A LLP

February 24, 2021
San Jose, California