

## INDEPENDENT AUDITOR'S REPORT ON PERFORMANCE

**Governing Board Members and  
Citizens' Bond Oversight Committee  
Vista Unified School District  
Measure LL Building Fund  
Vista, California**

We were engaged to conduct a performance audit of the Vista Unified School District Measure LL Building Fund, herein after referred to as the Bond Fund, for the year ended June 30, 2020.

### **Management's Responsibility for Performance Compliance**

Our audit was limited to the objectives listed with the report which includes the District's compliance 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. Management is responsible for the District's compliance with those requirements.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on performance based on our audit. We conducted this performance audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Appendix A of the 2019-20 Guide for Annual Audits of K-12 Local Education Agencies*. 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.

In planning and performing our performance audit, we obtained an understanding of the District's internal controls over the Bond Fund and related construction projects in order to determine if the internal controls were adequate to help ensure the District's compliance with the requirements of Proposition 39, but not for the purpose of expressing an opinion on the effectiveness of the Bond Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Bond Fund's internal control.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our findings and conclusions based upon the audit objectives.

## **Objectives, Scope, & Methodology of the Audit**

In connection with our performance audit, we performed an audit for compliance as required in the performance requirements set forth in Measure LL as approved by registered voters for the fiscal year ended June 30, 2020. The objective of the audit of compliance applicable to the Bond Fund is to determine with reasonable assurance that:

- The proceeds from the sale of Measure LL General Obligation Bonds were only used for the purposes set forth in the ballot measure and not for any other purpose, such as teacher and administrative salaries.
- The Governing Board of the Vista Unified School District (District), in establishing approved projects set forth in the ballot measure to modernize, replace, renovate, construct, acquire, equip, furnish and otherwise improve facilities of the District as noted in the bond projects list.

In performing our audit of compliance, we performed procedures including but not limited to those listed as follows:

### **Internal Control Evaluation**

#### Procedure Performed

Inquiries were made of management regarding internal controls to:

- Prevent fraud, waste, or abuse regarding project resources
- Prevent material misstatement in the project funds
- Ensure all expenditures are properly allocated
- Ensure adequate separation of duties exists in the accounting of project funds. All purchase requisitions are reviewed for proper supporting documentation. The Construction Manager or appropriate District employee submits back up information to the business office to initiate a purchase requisition. The Construction Manager, Assistant Superintendent of Business, or Business Manager verifies that the requested purchase is an allowable project cost in accordance with the ballot measure and bond projects list.

#### Results of Procedure Performed

The results of our audit determined the internal control procedures as designed are sufficient to meet the financial and compliance objectives required by generally accepted accounting principles and applicable laws and regulations.

#### Procedure Performed

Tests of controls were performed based on identified controls from procedures above, utilizing samples of expenditures with a sample size sufficient for a high level of assurance, to determine if internal controls as designed are properly implemented and in place over the Bond Fund expenditures.

#### Results of Procedure Performed

The results of our audit determined that the internal controls as designed were properly implemented during the 2019-20 fiscal year.

## **Tests of Expenditures**

### Procedures Performed

We tested expenditures to determine whether Measure LL proceeds were spent solely on voter and board approved school facilities projects as set forth in the Bond Projects List and language of the Measure LL ballot measure language. Our testing was performed using a sample size sufficient to meet a high level of assurance.

### Results of Procedures Performed

Expenditures tested were found to be in compliance with the terms of the Measure LL ballot measure as well as applicable state laws and regulations.

## **Tests of Contracts and Bid Procedures**

### Procedures Performed

We tested expenditures under Measure LL to determine if the expenditure was part of a valid contract, that the contract was properly approved by the District's Governing Board, and that the contract was established in compliance with Public Contract Code provisions, including bid procedures. Our testing was performed using a sample size sufficient to meet a high level of assurance.

### Results of Procedures Performed

Expenditures tested were found to have valid contracts which were issued through proper approval of the District's Governing Board in compliance with Public Contract Code, including bid procedures.

## **Facilities Site Review**

### Procedures Performed

We reviewed the Independent Citizens' Bond Oversight Committee minutes and agendas along with other pertinent information on Measure LL designated projects to determine whether the funds expended for the year ended June 30, 2020 were for valid facilities acquisition and construction purposes as stated in the Bond Projects List. Additionally, we reviewed photographs of significant bond projects to determine projects were being completed as identified in the Bond Projects List.

### Results of Procedures Performed

Based on review of the minutes and agenda of the Independent Citizens' Bond Oversight Committee, expenditure documentation, review of project photographs, and other pertinent information provided, it appears the construction work performed was consistent with the Bond Projects List as well as the allowable projects as identified in Measure LL ballot measures.

## **Citizens' Bond Oversight Committee**

### Procedures Performed

We reviewed the minutes of the Citizens' Bond Oversight Committee meetings to verify compliance with Education Code Section 15278 which requires the Citizens' Bond Oversight Committee to:

- Actively review and report on the proper expenditure of taxpayers' money for school construction.
- Advise the public as to whether the District is in compliance with paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.
- Ensure that bond revenues are expended only for purposes described in paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.
- Ensure that no funds are used for any teacher or administrative salaries or other school operating expenses.

Additionally, Education Code Section 15278 authorizes the Citizens' Bond Oversight Committee to:

- Receive and review copies of the annual, independent performance audit.
- Inspect school facilities and grounds to ensure that bond revenues are expended in compliance with the requirements described in paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.
- Receive and review copies of any deferred maintenance proposals or plans developed by the District.
- Review efforts by the District to maximize bond revenues by implementing cost saving measures.

### Results of Procedures Performed

In our review of the minutes of the Citizens' Bond Oversight Committee we determined that, during the fiscal year ended June 30, 2020 the Committee fulfilled all required responsibilities identified in Education Code Section 15278 and additionally performed other authorized activities as identified in Education Code Section 15278.

### Procedure Performed

We reviewed composition of the Citizens' Bond Oversight Committee to verify compliance with Education Code Section 15282 which requires the following:

- The Citizen's Bond Oversight Committee shall consist of at least seven members who shall serve for a minimum term of two years without compensation and for no more than three consecutive terms.
- One member shall be active in a business organization representing the business community located within the school district boundaries.
- One member shall be active in a senior citizens' organization.
- One member shall be active in a bona fide taxpayers' organization.
- One member shall be the parent or guardian of a child enrolled in the school district.
- One member shall be both a parent or guardian of a child enrolled in the school district and active in a parent-teacher organization.
- An employee or official of the school district shall not be appointed to the citizens' bond oversight committee.
- A vendor, contractor, or consultant of the school district shall not be appointed to the citizens' bond oversight committee.

### Results of Procedures Performed

In our review of the Citizens' Bond Oversight Committee composition for the fiscal year ended June 30, 2020 we determined that the Committee was in compliance with Education Code Section 15282.

### **Opinion on Performance**

The results of our tests indicated that the District has complied with the requirements set forth in Measure LL, approved by voters on November 6, 2018, in accordance with Proposition 39 as outlined in Article XIII A, Section 1(b)(3)(c) of the California Constitution.

### **Purpose of the Report**

This report is intended solely for the information and use of the District's Governing Board, the Measure LL Citizens' Bond Oversight Committee, management, and others within the District and is not intended to be and should not be used by anyone other than these specified parties.

*Wilkinson Hadley King & Co., LLP*

El Cajon, California  
May 31, 2021

**AUDITOR'S RESULTS, FINDINGS AND RECOMMENDATIONS**

**VISTA UNIFIED SCHOOL DISTRICT  
MEASURE LL BUILDING FUND  
SCHEDULE OF AUDITOR'S RESULTS  
YEAR ENDED JUNE 30, 2020**

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**FINANCIAL STATEMENTS**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weakness(es) identified?      Yes   X   No

One or more significant deficiencies identified that are  
not considered material weakness(es)?      Yes   X   No

Noncompliance material to financial statements noted?      Yes   X   No

**PERFORMANCE AUDIT**

Any audit findings disclosed that are required to be reported  
in accordance with *2019-20 Guide for Annual Audits of  
California K-12 Local Education Agencies* or  
Proposition 39

     Yes   X   No

**VISTA UNIFIED SCHOOL DISTRICT  
MEASURE LL BUILDING FUND  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2020**

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Findings represent significant deficiencies, material weaknesses, and/or instances of noncompliance related to the financial statements or performance audit that are required to be reported in accordance with *Government Auditing Standards*, or *Appendix A of the 2019-20 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*.

**A. Financial Statement Findings**

None

**B. Performance Audit Findings**

None

**VISTA UNIFIED SCHOOL DISTRICT  
MEASURE LL BUILDING FUND  
SCHEDULE OF PRIOR YEAR FINDINGS  
YEAR ENDED JUNE 30, 2020**

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There were no prior year findings noted.