

PLEASANT VALLEY SCHOOL DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
BOND BUILDING FUND
MEASURE C
PERFORMANCE AUDIT

June 30, 2019



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PLEASANT VALLEY SCHOOL DISTRICT

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June 30, 2019

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Measure C Citizens' Oversight Committee
Pleasant Valley School District
Camarillo, California

We have conducted a performance audit of the Pleasant Valley School District (the District) Measure C bond funds for the year ended June 30, 2019.

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 findings and 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 on page two of this report which includes determining the District's compliance with the performance requirements for the Proposition 39 Measure C bond funds 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 control.

The results of our tests indicated that, in all significant respects, the District expended Measure C bond funds for the fiscal year ended June 30, 2019, 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

CliftonLarsonAllen LLP
Glendora, California
December 6, 2019

**PLEASANT VALLEY SCHOOL DISTRICT
PERFORMANCE AUDIT OF MEASURE C**

June 30, 2019

BACKGROUND INFORMATION

In November 2000 the voters of the State of California approved Proposition 39 authorizing the issuance of general obligation bonds by California public school districts and community colleges, under certain circumstances and subject to certain conditions. In June 2018, a general obligation bond proposition (Measure C) of the District was approved by the voters of the District. Measure C authorizes the District to issue up to \$119 million of general obligation bonds to finance various capital projects, and related costs, as specified in the bond measure provisions of Measure C.

Pursuant to the requirements of Proposition 39, and related state legislation, the Governing Board of the District established a Citizens' Bond Oversight Committee and appointed its initial 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 C 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 C bond 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 Measure C Bond Building Fund.
- Determine whether expenditures charged to the Measure C Bond Building Fund have been made in accordance with the bond project list approved by the voters through the approval of Measure C in June 2018.
- Determine that amounts expended on salaries and benefits were only to the extent employees perform work associated with the Measure C projects as allowable per Opinion 04-110 issued on November 9, 2004 by the State of California Attorney General.

SCOPE OF THE AUDIT

The scope of our performance audit covered the fiscal period from July 1, 2018 to June 30, 2019. 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, 2019, were not reviewed or included within the scope of our audit or in this report.

**PLEASANT VALLEY SCHOOL DISTRICT
PERFORMANCE AUDIT OF MEASURE C**

June 30, 2019

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, 2019. Our sample included 25 transactions totaling \$2,319,382.
 - We reviewed the actual 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;
 - Were properly expended on the authorized bond projects as listed on the voter-approved bond project list.
- We selected the complete population of salaries and benefits for the year ended June 30, 2019. Our sample of expenditures for salaries and benefits included \$32,575 in payroll expenses.
 - We reviewed the payroll register and job description to determine that the amounts expended on salaries and benefits were only to the extent employees perform work associated with the Measure C 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 C Bond Building Fund and that such expenditures were made on authorized bond projects. Further it was noted that the funds held in the Measure C Bond Building Fund and expended by the District, were used for salaries and benefits only to the extent allowable.

