MEASURE "A" 2006 GENERAL OBLIGATION BOND BUILDING FUND OF TAMALPAIS UNION HIGH SCHOOL DISTRICT

AUDIT REPORT

June 30, 2008

NIGRO NIGRO &WHITE PC

A Professional Accountancy Corporation

MEASURE "A" 2006 GENERAL OBLIGATION BOND BUILDING FUND OF TAMALPAIS UNION HIGH SCHOOL DISTRICT
AUDIT REPORT
June 30, 2008

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MEASURE "A" 2006 GENERAL OBLIGATION BOND BUILDING FUND OF TAMALPAIS UNION HIGH SCHOOL DISTRICT
Introduction and Citizens' Oversight Committee Member Listing
June 30, 2008

Tamalpais Union High School District (the "District") consists of three comprehensive high schools and two alternative schools supported by a District Office and an operations center. The District serves approximately 4,000 students.

On June 6, 2006, the voters of the Tamalpais Union High School District approved by more than 55% Measure "A", authorizing the issuance and sale of $79,920,000 of general obligation bonds. On August 22, 2006, the District issued the entire amount of the 2006 General Obligation Bonds in one series.

Measure "A" was a Proposition 39 bond, issued pursuant to the provisions of the Education Code of the State of California and pursuant to a resolution adopted by the Board of Education of the District. The passage of Proposition 39 in November 2000 amended the California Constitution to include accountability provisions. Specifically, the District must conduct an annual independent performance audit to ensure that funds have been expended only on the specific projects listed as well as an annual, independent financial audit of the proceeds from the sale of the bonds until all of the proceeds have been expended for facilities projects.

Upon passage of Proposition 39, an accompanying piece of legislation, AB 1908 (Chapter 44, Statutes of 2000), was also enacted, which amended the Education Code to establish additional procedures which must be followed if a District seeks approval of a bond Proposition pursuant to the 55% majority authorized in Proposition 39 including formation, composition and purpose of the Citizens' Bond Oversight Committee, and authorization for injunctive relief against the improper expenditure of bond revenues.

The Citizens' Bond Oversight Committee was comprised of the following members as of June 30, 2008:

Name	Title	Representation
George Yandell	Chairperson	Parent of Child in District
Loraine Berry	Member	Senior Organization
Grace Hughes	Member	Business Community Member
Dick Johnson	Member	Community Member
Nancy P. McCarthy	Member	Taxpayer Organization
Ellin Purdom	Member	Parent of Child in District
Larry Litvak	Member	Parent of Child in District
Paul Waszink	Member	Community Member

NIGRO NIGRO &WHITE PC

A *Professional Accountancy Corporation*

Jeff Nigro, CPA
Elizabeth Nigro, CPA
Christy White, CPA

MURRIETA OFFICE
PH: 951.698.8783
FAX: 951.699.1064
25090 Jefferson Avenue
Murrieta, CA 92562

SAN DIEGO OFFICE
PH: 619.270.8222
FAX: 619.260.9085
2727 Camino Del Rio S.
Suite 219
San Diego, CA 92108

MEMBERS OF
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WEBSITE
www.nnwcpa.com

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The Board of Trustees and
The Citizens' Bond Oversight Committee
Tamalpais Union High School District
Larkspur, California

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying balance sheet of the Measure "A" 2006 General Obligation Bond Building Fund (the "Fund") of Tamalpais Union High School District (the "District") as of June 30, 2008, and the related statement of revenues, expenditures and changes in fund balance as of and for the six-month period ended June 30, 2008. These financial statements are the responsibility of the District's management. 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 and performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1A, the financial statements present only the individual Measure "A" 2006 General Obligation Bond Building Fund and are not intended to present fairly the financial position of the District in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Measure "A" 2006 General Obligation Bond Building Fund of Tamalpais Union High School District, as of June 30, 2008, and the results of its operations for the six-month period then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 4, 2008 on our consideration of the Measure "A" 2006 General Obligation Bond Building Fund of Tamalpais Union High School District's internal control over financial reporting and 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Measure "A" 2006 General Obligation Bond Building Fund of Tamalpais Union High School District's basic financial statements. The other supplementary information, the Schedule of Expenditures Tested, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Nigro Nigro & White, PC

Murrieta, California
October 4, 2008

Financial Section

MEASURE "A" 2006 GENERAL OBLIGATION BOND BUILDING FUND OF TAMALPAIS UNION HIGH SCHOOL DISTRICT

Balance Sheet

June 30, 2008

ASSETS		
Cash	$	50,923,028
Investments		3,817,693
Total Assets	$	54,740,721
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$	2,187,059
Fund Balances		
Unreserved		52,553,662
Total Liabilities and Fund Balance	$	54,740,721

The notes to the financial statements are an integral part of this statement.

MEASURE "A" 2006 GENERAL OBLIGATION BOND BUILDING FUND OF TAMALPAIS UNION HIGH SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Six Month Period Ended June 30, 2008

REVENUES		
Interest earnings	$	2,104,760
EXPENDITURES		
Classified salaries		207,694
Benefits		62,228
Materials and supplies		32,142
Services and other operating expenditures		(734,085)
Capital outlay		18,644,665
Total Expenditures		18,212,644
Excess (Deficiency) of Revenues Over (Under) Expenditures		(16,107,884)
Fund Balance, January 1, 2008, as originally stated		69,073,272
Adjustment for restatement		(411,726)
Fund Balance, January 1, 2008, as restated		68,661,546
Fund Balance, June 30, 2008	$	52,553,662

The notes to the financial statements are an integral part of this statement.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

On June 6, 2006 the District voters authorized $79,920,000 in General Obligation Bonds (Measure "A") to complete District-wide facility modernization programs, including technology upgrades and classroom renovation and reconstruction, and to bring all facilities up to District standards. In response, an advisory committee to the District's Governing Board and Superintendent, the Measure "A" 2006 Bond Oversight Committee, was established. The Committee's oversight goals include: informing the public concerning the expenditures of bond revenues, ensuring that the bond revenues are expended only for the purposes described in the Measure "A" ballot language, and ensuring that no funds are used for any teacher or administrative salaries or other school operating expenses.

The bond proceeds and uses are accounted for in the District's Building Fund, using sub-fund 24. The statements presented are for the individual Measure "A" 2006 General Obligation Bond Building Fund and are not intended to be a complete presentation of the District's financial position or results of operations.

B. Accounting Policies

The Tamalpais Union High School District accounts for its financial transactions in accordance with the policies and procedures of the California Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

C. 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 Measure "A" 2006 General Obligation Bond Building Fund are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Encumbrances

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated as of June 30.

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 during the reporting period. Actual results could differ from those estimates.

NOTE 2 – CASH AND 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.

Cash 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.

NOTE 2 – CASH AND INVESTMENTS (continued)

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are described below:

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 investing in the County Treasury. The Fund maintains investments with the Marin County Pooled Investment with a fair value of approximately $51,061,505 and a book value of $50,923,028 and Non-Pooled Investment with a fair value of approximately $3,978,278 and an amortized book value of $3,817,693. The average weighted maturity for this pool is 238 days.

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 investment with the Marin County Investment Pool is rated AAA/V1 by Fitch ratings.

Concentration of Credit Risk
The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government code. District investments that are greater than 5 percent of total investments are in either an external investment pool or mutual funds and are therefore exempt.

NOTE 3 – MEASURE "A" 2006 GENERAL OBLIGATION BONDS

The bonds were authorized at an election of the registered voters of the District held on June 6, 2006, at which more than 55% of the voters authorized the issuance and sale of $79,920,000 general obligation bonds. The bonds are general obligations of the District. The County is obligated to levy ad valorem taxes upon all property within the District for the payment of interest on and principal of the bonds. The bonds were issued to complete District-wide facility modernization programs, including technology upgrades and classroom renovation and reconstruction, and to bring all facilities up to District standards.

NOTE 3 – MEASURE "A" 2006 GENERAL OBLIGATION BONDS (continued)

Measure A

On August 22, 2006, the District issued the entire bond authorization, $79,920,000 to acquire, construct, renovate, and equip certain District facilities. The bonds were issued as $69,425,000 Current Interest Serial Bonds having interest rates ranging between 4.0% - 5.0% and maturing from August 1, 2008 through 2029 and a Term Bond of $10,495,000 with a stated interest rate of 4.375% and maturing on August 1, 2031. At June 30, 2008, the outstanding balance on the bonds was $79,920,000.

The annual requirements to amortize all general obligation bonds payable, outstanding as of June 30, 2008, are as follows:

Fiscal Year	Principal	Interest	Total
2008-09	$ 1,940,000	$ 3,617,050	$ 5,557,050
2009-10	2,015,000	3,537,950	5,552,950
2010-11	2,095,000	3,455,750	5,550,750
2011-12	2,180,000	3,370,250	5,550,250
2012-13	2,270,000	3,281,250	5,551,250
2013-18	12,840,000	14,856,569	27,696,569
2018-23	16,085,000	11,484,064	27,569,064
2023-28	20,450,000	7,050,203	27,500,203
2028-32	20,045,000	1,865,640	21,910,640
	$ 79,920,000	$ 52,518,726	$ 132,438,726

NOTE 4 – CONSTRUCTION COMMITMENTS

As of June 30, 2008, the District had commitments with respect to unfinished capital projects of approximately $29 million to be paid from the Measure "A" funds:

Description	Site	Amount	Expected Completion Date
Gym floor, bleachers, electrical	Drake	$ 246,592	Fall 2008
Pool	Drake	3,325,475	Fall 2008
Gym upgrades	Redwood	402,481	Fall 2008
Tennis/Basketball	Redwood	280,558	Fall 2008
Pool	Redwood	4,371,205	Fall 2008
Solar	Redwood	87,440	NOC filed 9/29/2008
Six Plex	Drake	1,958,413	Summer 2009
Keyser Hall	Tamalpais	9,175,929	Summer 2009
Parking and Hard cape	Tamalpais	1,313,966	Summer 2009
Pool and Weight Room	Tamalpais	7,400,261	Summer 2009
Elevator and Landscaping	Tamalpais	439,123	Summer 2009
		$ 29,001,443	

NOTE 5 – ADJUSTMENT FOR RESTATEMENT

The beginning fund balance in the Building Fund has been restated by ($411,726) to reverse a prior period adjustment that was made to record the cash in county at fair market value.

Supplementary Information

MEASURE "A" 2006 GENERAL OBLIGATION BOND BUILDING FUND OF TAMALPAIS UNION HIGH SCHOOL DISTRICT

Schedule of Expenditures Tested

June 30, 2008

Date	Vendor	Warrant	Site	Description	Amount	District	Tamalpais	Drake	Redwood	San Andreas	Tamiscal
01/11/08	Pellegrini & Associates	2800632	District	District Wide VOIP	$ 31,476	$ 31,476	$ -	$ -	$ -	$ -	$ -
01/18/08	Roebellen	2801454	Redwood	Gym, Courts, Pool	517,358	-	-	-	517,358	-	-
01/18/08	Roebellen	2801455	Drake	Pool, 6 Plex	302,940	-	-	302,940	-	-	-
01/18/08	West Bay Builders Inc	2801456	Tamalpais	THS Keyser	545,413	-	545,413	-	-	-	-
01/30/08	John Benward Company Inc.	2802693	Drake	Parking Lot, Courts	121,738	-	-	121,738	-	-	-
02/06/08	California Pacific Bank	2803372	Tamalpais	West Bay Escrow Account	208,232	-	208,232	-	-	-	-
02/06/08	Deems Lewis McKinley	2803373	Drake	Architecture	155,408	-	-	155,408	-	-	-
02/08/08	West Bay Builders Inc	2803916	Tamalpais	Keyser	553,994	-	553,994	-	-	-	-
02/11/08	Miller Brown & Dannis	2804185	District	District Legal Services	3,392	3,392	-	-	-	-	-
			Redwood/	RHS Gym, Courts, Pool							
02/29/08	Roebellen	2806326	Drake	DHS Pool, 6 Plex	972,952	-	-	486,476	486,476	-	-
03/10/08	West Bay Builders Inc	2807581	Tamalpais	THS Keyser	539,418	-	539,418	-	-	-	-
03/10/08	Mactec E&C Inc.	2807551	Drake	DHS & THS Construction Testing	40,373	-	-	40,373	-	-	-
03/10/08	WLC Architects Accounting	2807527	Tamalpais	Architects	5,207	-	5,207	-	-	-	-
03/12/08	Borlett Skaer & Devoto	2807804	Redwood	Architect	184,302	-	-	-	184,302	-	-
03/14/08	Bauman Landscape/Mcguire	2808138	Drake	Baseball	158,509	-	-	158,509	-	-	-
03/19/08	Gary Proctor Construction	2808611	Tamalpais	FACP floor plans	3,570	-	3,570	-	-	-	-
03/19/08	QA Consulants Inc	2808614	Redwood	RHS Project Inspections	7,740	-	-	-	7,740	-	-
03/26/08	Van Pelt Construction Services	2809416	Tamalpais	Construction Management	98,950	-	98,950	-	-	-	-
04/16/08	West Bay Builders Inc	2811823	Tamalpais	THS Keyser	1,127,113	-	1,127,113	-	-	-	-
05/02/08	Roebellen	2813916	Redwood	Gym, Courts, Pool	536,596	-	-	-	536,596	-	-
05/09/08	Roebellen	2814854	Redwood	Gym, Courts, Pool	501,248	-	-	-	501,248	-	-
05/09/08	Dillingham Associates	2814830	San Andreas	Landscape Architect	5,298	-	-	-	-	5,298	-
05/14/08	Roebellen	2815272	Drake	Pool, 6 Plex	529,888	-	-	529,888	-	-	-
05/16/08	West Bay Builders Inc	2815727	Tamalpais	THS Keyser	1,085,716	-	1,085,716	-	-	-	-
05/23/08	Vanir Construction Management	2816566	Redwood	RHS & DHS Construction Mgt.	101,363	-	-	50,681	50,681	-	-
05/23/08	Signet Testing Labs Inc	2816565	Drake	DHS & RHS Construction Testing	11,621	-	-	5,811	5,811	-	-
05/23/08	Vanir Construction Management	2816566	Redwood	DHS & RHS Construction Mgt.	101,363	-	-	50,681	50,681	-	-
06/06/08	Roebellen	2818356	Drake	Pool, 6 Plex	300,348	-	-	300,348	-	-	-
06/09/08	Deems Lewis McKinley	2815888	Drake	Architecture	10,785	-	-	10,785	-	-	-
06/11/08	West Bay Builders Inc	2818831	Tamalpais	THS Keyser	962,062	-	962,062	-	-	-	-
06/11/08	H.Y. Floor & Gameline Painting	2818833	Drake	Gym	119,349	-	-	119,349	-	-	-
06/16/08	Roseville Bank of Commerce	2819480	Redwood	Roebbellen escrow retention	283,309	-	-	-	28,309	-	-
06/20/08	Roebellen	2820233	Redwood	Gym, Courts, Pool	672,715	-	-	-	672,715	-	-
06/20/08	L&M Distributing Inc.	2820171	Drake	Tennis Courts	37,342	-	-	37,342	-	-	-
06/27/08	Roebellen	2821303	Redwood	Gym, Courts, Pool	948,718	-	-	-	948,718	-	-
06/27/08	Roebellen	2821318	Drake	Pool, 6 Plex	456,586	-	-	456,586	-	-	-
06/27/08	West Bay Builders Inc	2821331	Tamalpais	THS Keyser	717,057	-	717,057	-	-	-	-
06/27/08	Sensible Environmental	2821327	Tamalpais	THS site wide Environmental Testing	1,057	-	1,057	-	-	-	-
06/27/08	V&A Consulting Engineers	2821328	Redwood	Pool Consulting Engineers	5,000	-	-	-	5,000	-	-
				Invoices Tested	$ 12,965,507	$ 34,868	$ 5,847,789	$ 2,826,915	$ 3,995,635	$ 5,298	$ -
				Total Expenditures	18,212,644						
				Percent Tested	71%						

Other Independent Auditors' Reports

NIGRO NIGRO &WHITE PC

A *Professional Accountancy Corporation*

Jeff Nigro, CPA
Elizabeth Nigro, CPA
Christy White, CPA

MURRIETA OFFICE
PH: 951.698.8783
FAX: 951.699.1064
25090 Jefferson Avenue
Murrieta, CA 92562

SAN DIEGO OFFICE
PH: 619.270.8222
FAX: 619.260.9085
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Tamalpais Union High School District
Larkspur, California

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*

We have audited the accompanying balance sheet of the Measure "A" 2006 General Obligation Bond Building Fund of Tamalpais Union High School District (the "District") as of June 30, 2008, and the related statement of revenues, expenditures and changes in fund balance for the six-month period then ended. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Tamalpais Union High School District's internal control over financial reporting as a basis for designing our auditing procedures 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 Tamalpais Union High School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Tamalpais Union High School District's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be presented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Measure "A" 2006 General Obligation Bond Building Fund of Tamalpais Union High School District's financial statements are free of 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*.

This report is intended solely for the information and use of the Measure "A" 2006 Bond Oversight Committee, the District Governing Board, management, and the taxpayers of Tamalpais Union High School District and is not intended to be and should not be used by anyone other than the specified parties.

Nigro Nigro & White, PC

Murrieta, California
October 4, 2008

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Jeff Nigro, CPA
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MURRIETA OFFICE
PH: 951.698.8783
FAX: 951.699.1064
25090 Jefferson Avenue
Murrieta, CA 92562

SAN DIEGO OFFICE
PH: 619.270.8222
FAX: 619.260.9085
2727 Camino Del Rio S.
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WEBSITE
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Measure "A" Citizens' Bond Oversight Committee and
Governing Board Members of
Tamalpais Union High School District
Larkspur, California

INDEPENDENT AUDITORS' REPORT ON PERFORMANCE

We have audited the financial statements of the Measure "A" 2006 Bond Building Fund of the Tamalpais Union High School District (the "District") as of and for the six-month period ended June 30, 2008 and have issued our report thereon dated October 4, 2008. Our audit was made in accordance with auditing standards generally accepted in the United States of America and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In connection with our audit, we also performed an audit for compliance as required in the performance requirements for the Proposition 39 Measure "A" 2006 General Obligation Bond for the six-month period ended June 30, 2008. The objective of the examination of compliance applicable to the District is to determine with reasonable assurance that:

- The proceeds from the sale of the Measure "A" 2006 Bonds were only used for the purposes set forth in the ballot measure and not for any other purpose, such as teacher and administrator salaries.
- The Governing Board of the District, in establishing the approved projects set forth in the ballot measure, evaluated the remodeling, new construction and renovation of items which will relieve overcrowding, repair local schools and improve student safety conditions of the District.

To meet our objectives, audit tests were performed and included, but were not limited to the following:

1. We verified that bond proceeds were deposited in the District's name and invested in accordance with applicable legal requirements.

2. We sampled three contracts and verified compliance with the Public Contract Code bid requirements, board approvals, that invoices paid were within the contract terms and change orders were approved.

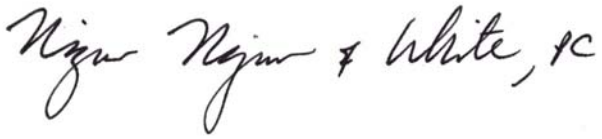
3. We tested $16,220,675 in bond fund invoices paid, which is a combination of expenditures as of January 1, 2008 through June 30, 2008, payments on liabilities accrued as of June 30, 2008 and paid in 2008, and journal entries testing for validity, allowability and accuracy. Expenditures sampled in our test included payments made to the subcontractors and other vendors.

4. We inspected two school sites where 2007-08 construction work was performed (Redwood High and Sir Francis Drake High) and verified that the construction work performed was in accordance with Measure "A" purposes.

Our audit of compliance made for the purposes set forth in the preceding paragraph of this report above would not necessarily disclose all instances of noncompliance.

In our opinion, the District complied with the compliance requirements for the Measure "A" 2006 Bond proceeds listed and tested above.

This report is intended for the information of the Governing Board, management and the Citizens' Oversight Committee; however, this report is a matter of public record.



Murrieta, California
October 4, 2008