TAMALPAIS UNION HIGH SCHOOL DISTRICT

GENERAL OBLIGATION BONDS
FINANCIAL REPORT
JUNE 30, 2003

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
TABLE OF CONTENTS
JUNE 30, 2003

Independent Auditors' Report	1
FINANCIAL STATEMENTS	
Building Fund	
Balance Sheet	2
Statement of Revenues, Expenditures and Changes in Fund Balance	3
Statement of Cash Flows	4
Notes to Financial Statements	5
SUPPLEMENTAL INFORMATION	
Statement of Revenues, Expenditures – Budget and Actual	10

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Vavrinek, Trine, Day & Co., LLP

Certified Public Accountants & Consultants

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INDEPENDENT AUDITORS' REPORT

Governing Board
Tamalpais Union High School District
Larkspur, California

We have audited the accompanying financial statements of the building fund of the Tamalpais Union High School District, as of and for the six months ended June 30, 2003, as listed in the table of contents. 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. 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 1, the financial statements present only the building fund and do not purport to, and do not, present fairly the financial position and results of operations of the Tamalpais Union High School District in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the building fund of the Tamalpais Union High School District at June 30, 2003, and the results of its operations and cash flows for the six months then ended in conformity with accounting principles generally accepted in the United States of America.

Vavrinek, Trine, Day & Co LLP

Pleasanton, California
September 17, 2003

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TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
BALANCE SHEET
JUNE 30, 2003

ASSETS	
Cash and investments	$ 52,425,917
Accounts receivable	287,692
Due from other funds	15
Total Assets	$ 52,713,624
LIABILITIES AND FUND EQUITY	
LIABILITIES	
Accounts payable	4,377,622
Due to general fund	469
Total Liabilities	4,378,091
FUND EQUITY	
Fund balances	
Undesignated	48,335,533
Total Fund Equity	48,335,533
Total Liabilities and Fund Equity	$ 52,713,624

The accompanying notes are an integral part of these financial statements.

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE SIX MONTHS ENDED JUNE 30, 2003

REVENUES	
Interest income	$ 495,674
Total Revenues	495,674
EXPENDITURES	
Current Expenditures	
Classified salaries	147,273
Employee benefits	32,336
Books and supplies	7,987
Services and operating expenditures	1,068,327
Capital outlay	
Architectural services	1,422,216
Permanent construction	4,378,599
Construction management	1,065,904
Other capital outlay	158,672
Total Expenditures	8,281,314
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	(7,785,640)
FUND BALANCE, BEGINNING OF PERIOD	56,121,173
FUND BALANCE, END OF YEAR	$ 48,335,533

The accompanying notes are an integral part of these financial statements.

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2003

CASH FLOWS FROM OPERATING ACTIVITIES	
Interest received	$ 482,926
Payments to suppliers	(8,955,963)
Payments to employees	(169,036)
Net Cash Used by Operating Activities	(8,642,073)
NET DECREASE IN CASH	(8,642,073)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	61,067,990
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 52,425,917

RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES	
Operating income/(loss)	$ (7,785,640)
Adjustments to reconcile operating income/(loss) to net cash flows from operating activities	
Changes in assets and liabilities	
(Increase)/decrease in:	
Interest receivable	(12,748)
Due from other funds	(15)
Increase/(decrease) in:	
Accounts payable	(843,376)
Due to other funds	(294)
Net Cash Flows Used by Operating Activities	$ (8,642,073)

The accompanying notes are an integral part of these financial statements.

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

NOTE #1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Tamalpais Union High School District bond funds conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants. The Tamalpais Union High School District building fund accounts for financial transactions in accordance with the policies and procedures of the California School Accounting Manual.

A. Financial Reporting Entity

The financial statements include only the Building fund of the Tamalpais Union High School District. This fund was established to account for the expenditures of general obligation bonds issued under the General Obligation Bonds Election of 2001. The authorized issuance amount of the bonds is $121,000,000. The first series of bonds in the amount of $20,820,000 and the second series in the amount of $49,580,000 have been sold. These financial statements are not intended to present fairly the financial position and results of operations of the Tamalpais Union High School District in compliance with accounting principles generally accepted in the United States of America.

B. Fund Accounting

The operations of the Building fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance (or retained earnings), revenues, and expenditures (or expenses). Resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses 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 Tamalpais Union High School District building funds are accounted for under the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the accounting period in which the liability is incurred (when goods are received or services rendered), except for unmatured interest on general long-term debt, which is recognized when due.

D. 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.

E. Fund Balance Reserves and Designations

Reservations of the ending fund balance indicate the portions of fund balance not available for appropriation or amounts legally segregated for a specific future use. Designations of the ending fund balance indicate tentative plans for financial resource utilization in a future period. No amounts were reserved or designated at June 30, 2003.

F. Property Tax

Secured property taxes attach as an enforceable lien on property as of January 1. Supplemental taxes for repayment of bond proceeds are collected by the County of Marin from all taxable property within the District. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10, and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of Marin bills and collects the taxes for the District. The District recognizes tax revenues when received.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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/expenses during the reporting period. Actual results could differ from those estimates. Capital outlay expenditures include an estimated $1,480,542 for June invoices for construction services in which invoices had not yet been received from the contractors.

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

NOTE #2 – INVESTMENTS

Investments at June 30, 2003, held on behalf of the building fund of the Tamalpais Union High School District consist of deposits in the County of Marin Treasury:

	Reported Amount	Fair Value
Deposits with county treasurer	$52,425,917	$ 52,479,863

Deposits with County Treasurer is an external investment pool sponsored by the County of Marin. School districts are required to deposit all receipts and collections of monies with their county treasurer (Education Code Section 41001). Therefore, the District is considered to be an involuntary participant in an external investments pool. County deposits are not required to be categorized. The pool sponsor provided the fair value for these deposits.

NOTE #3 – ACCOUNTS RECEIVABLE

Receivables at June 30, 2003, consist of the following:

Interest	$ 287,692

NOTE #4 – INTERFUND TRANSACTIONS

Interfund Receivables (Due from) and Payables (Due To)

The amount of interfund payable balance due from the building fund to the general fund at June 30, 2003, is $469. This amount is for employee benefits paid by the general fund on behalf of the building fund. The amount of interfund receivable due from the general fund to the building fund at June 30, 2003 is $15. This amount is for a refund of overpaid employee benefits.

NOTE #5 – ACCOUNTS PAYABLE

Accounts payable at June 30, 2003, consists of the following:

Vendor payables	$ 4,363,582
Salaries	14,040
Total	$ 4,377,622

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

NOTE #6 – FUND BALANCES

Fund balances are composed of the following elements:

Unreserved	
Undesignated	$48,335,533

NOTE #7 – GENERAL LONG-TERM DEBT

Under the modified accrual basis of accounting, liabilities for long-term debt are not reported in the individual funds. However, they are reported as liabilities on the Statement of Net Assets in the Entity Wide financial statements of the Tamalpais Union High School District.

General obligation bonds have been issued and are outstanding as follows:

Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Balance 12/31/02	Issued	Redeemed	Bonds 06/30/03
2001	2026	3.375-5.50	$20,820,000	$20,270,000	$ -	$ -	$20,270,000
2002	2027	3.0-6.0	49,580,000	49,580,000	-	-	49,580,000
				$69,850,000	$ -	$ -	$69,850,000

Debt Service Requirements

The general obligation bonds mature through 2027 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2004	$ 1,825,000	$ 3,144,627	$ 4,969,627
2005	1,790,000	3,205,035	4,995,035
2006	1,865,000	3,111,088	4,976,088
2007	1,950,000	3,025,541	4,975,541
2008	2,030,000	2,960,041	4,990,041
2009-2013	11,345,000	13,568,063	24,913,063
2014-2018	13,490,000	10,794,648	24,284,648
2019-2023	16,390,000	7,185,120	23,575,120
2024-2028	19,165,000	2,736,498	21,901,498
Total	$69,850,000	$49,730,661	$119,580,661

As of June 30, 2003, there was $4,743,180 in the Bond Interest and Redemption Fund of Tamalpais Union High School District, which will be used to make interest and principal payments on the bonds.

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2003

NOTE #8 – COMMITMENTS AND CONTINGENCIES

As of June 30, 2003, the building fund had the following commitments with respect to unfinished capital projects:

Description	Amount	Expected Completion Dates
Tamalpais High School modernization projects	$ 6,208,750	through 6/30/05
Sir Francis Drake High School modernization projects	2,841,208	through 6/30/05
Redwood High School modernization projects	15,709,536	through 6/30/05
San Andreas High School modernization projects	127,190	through 6/30/05
Tamascal modernization projects	63,186	through 6/30/05
District wide modernization projects	76,795	through 6/30/05
District office modernization projects	17,680	through 6/30/05
Corporate yard modernization projects	44,081	through 6/30/05
Total	$ 25,088,426	

SUPPLEMENTAL INFORMATION

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
AS OF JUNE 30, 2003

		Actual Expenditures			
	Budget	Prior Period	1/03 to 6/03	Total	Remaining Balance
REVENUES					
Interest income	$ 1,041,615	$ 1,149,941	$ 495,674	$ 1,645,615	$ 604,000
Total Revenues	1,041,615	1,149,941	495,674	1,645,615	604,000
EXPENDITURES					
Current Expenditures					
Classified salaries	299,321	268,241	147,273	415,514	(116,193)
Employee benefits	58,534	54,288	32,336	86,624	(28,090)
Books and supplies	40,900	36,748	7,987	44,735	(3,835)
Services and operating expenditures	1,987,800	1,225,975	1,068,327	2,294,302	(306,502)
Capital outlay					
Architectural services	5,243,000	5,861,147	1,422,216	7,283,363	(2,040,363)
Permanent construction	33,416,900	7,401,053	4,378,599	11,779,652	21,637,248
Construction management	6,393,000	989,561	1,065,904	2,055,465	4,337,535
Other capital outlay	1,704,305	266,938	158,672	425,610	1,278,695
Total Expenditures	49,143,760	16,103,951	8,281,314	24,385,265	24,758,495
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	(48,102,145)	(14,954,010)	(7,785,640)	(22,739,650)	25,362,495
OTHER FINANCING SOURCES/(USES)					
Bond proceeds	50,517,425	70,400,000	-	70,400,000	19,882,575
Bond premium	-	937,425	-	937,425	937,425
Underwriter discount	(262,242)	(262,242)	-	(262,242)	-
Total Other Financing Sources/(Uses)	50,255,183	71,075,183	-	71,075,183	20,820,000
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER/(UNDER) EXPENDITURES AND OTHER USES	$ 2,153,038	$56,121,173	$(7,785,640)	$48,335,533	$ 46,182,495

TAMALPAIS UNION HIGH SCHOOL DISTRICT

GENERAL OBLIGATION BONDS
AGREED-UPON PROCEDURES
REPORT
JUNE 30, 2003

vtd

Vavrinek, Trine, Day & Co., LLP

Certified Public Accountants & Consultants

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INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Citizens' Fiscal Oversight Committee
Tamalpais Union High School District
Larkspur, California

We have performed the agreed-upon procedures, which were agreed to by the management of the Tamalpais Union High School District and the Citizen's Fiscal Oversight Committee, to review 25% of the expenditures of 2001 General Obligation Bond funds for the period of January 1, 2003 to June 30, 2003 for the purpose of verifying if the use of the funds is within the scope of the published materials specifying the intended use of bond funds. We used election documents, District resolutions, the master plan and the revised master plan as the guidance for the intended use of the funds. For any expenditures in question, we recommended that the District obtain the opinion of legal counsel and we informed this committee as to the issues. Management is responsible for Tamalpais Union High School District's compliance with election documents, district resolutions, master plan, and the revised master plan. This engagement to perform agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and meets the compliance requirements to perform an "audit" as outlined in Subparagraph (C) of paragraph (3) of subdivision (b) of section 1 of Article XIII A of the California Constitution. The sufficiency of these procedures is solely the responsibility of those specified parties in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Financial Summary

1. The general obligation bond funds were authorized at an election of the registered voters of the District held on March 6, 2001. The bonds were authorized at an issuance of $121,000,000 principal amount for the purpose of financing the addition and modernization of school facilities. The first series of the bonds were issued in 2001 and sold in the amount of $20,820,000. The second series of the bonds were issued in 2002 and sold in the amount of $49,580,000.

2. Total expenditures and commitments through June 30, 2003, were $49,473,691.

3. An analysis of expenditures is as follows:

Expenditures	Prior Periods	1/1/2003 to 06/30/03	Total
Salaries and benefits	$ 322,529	$ 179,609	$ 502,138
Supplies	36,748	7,987	44,735
Services	1,225,975	1,068,327	2,294,302
Capital outlay			
Architectural services	5,861,147	1,422,216	7,283,363
Permanent construction	7,401,053	4,378,599	11,779,652
Construction management	989,561	1,065,904	2,055,465
Other capital outlay	266,938	158,672	425,610
Total expenditures	$16,103,951	$ 8,281,314	24,385,265
Contract commitments, June 30, 2003			25,088,426
Total expenditures and commitments			$ 49,473,691

Available unspent funds from the first and second bond series as of June 30, 2003 are:

General obligation bonds proceeds, series 1	$20,820,000
General obligation bonds proceeds, series 2	49,580,000
Bond premium less underwriters discount	675,183
Interest earned in building fund	1,645,615
Total expenditures and commitments	(49,473,691)
Amount available	$23,247,107

Agreed Upon Procedures Performed

1. Verify that the expenditure of funds were accounted for separately in the accounting records to allow for accountability.

2. Verify that the net funds from the sale of the General Obligation Bonds were deposited in total into the District's accounts by obtaining settlement statement for the new bond issue and verifying amounts deposited into the building and bond interest and redemption funds.

3. Select 25% of the expenditures at each location and verify that the funds expended complied with the purpose that was specified to the registered voters of the District through election materials, district resolutions, master plan, and revised master plan that were distributed to the voters. Focus on expenditures related to teacher stipends for moving, construction change orders, and construction services. See supplemental information for list of expenditures reviewed.

4. Verify that District's internal control procedures are operating according to District policies. See supplemental information for list of expenditures reviewed.

5. Verify that the State and District policies were followed in the awarding of bids and expenditure of the funds.

Results of Procedures

1. The general obligations bond fund expenditures were accounted for separately in the building fund of the District.

2. There were no net proceeds from the sale of the general obligation bonds during the six month period of January 1, 2003 to June 30, 2003.

3. Our review of the expenditures for the period January 1, 2003, through June 30, 2003, did not reveal any items that were paid from the general obligation bond funds that did not comply with the purpose of the Bonds that were approved by the registered voters of the District on March 6, 2001.

   We did not request that management of the District obtain any legal opinions on expenditures for the period of January 1, 2003 to June 30, 2003. Moving stipends for teachers and others during the period totaled $31,624, of which 29% were reviewed for move pay authorization and which did not reveal any items that did not comply with the bond purpose. Approved change orders during the period were $1,654,391, of which 29% were reviewed for board approval, and which did not reveal any items that did not comply with the bond purpose. Construction services for 68% of architectural services and 32% of construction management services were reviewed and which did not reveal any items that did not comply with the bond purpose. The first project budget revision was approved by the District board of trustees on February 25, 2003.

4. Our review of the internal control procedures followed on selected invoices revealed no exceptions to the internal control policies of the District.

5. Our review of the awarding of contracts and the disbursement of funds revealed no exceptions to the policies of the State and the District.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Tamalpais Union High School District and the Citizen's Fiscal Oversight Committee and is not intended to be and should not be used by anyone other than those specified parties.

Vavrinek, Trine, Day & Co LLP

Pleasanton, California
September 17, 2003

Tamalpais Union High School District
Supplemental Information
Bond Expenditures Reviewed in Applying Agreed Upon Procedures
6/30/2003

Date	Object Code	Vendor	Description as indicated by invoice	Amount	District - wide 001	Corp Yard 007	District Office 051	Tamalpais 052	Drake 053	Redwood 054	San Andreas 055	Tamiscal 056
1/31/2003	2250	Payroll-021403	Mohammad Aliy - Delivery/warehouse person & Garrett Eckelhoff - custodian/overtime - operational necessity to be paid by modernization	2,997.15	2,997.15			-				
5/30/2003	2250	Payroll-053003	Aragon, Italo & Knighton Joseph	1,577.59	1,577.59							
1/31/2003	2910	Payroll-013103	Linda McAllister & Wubitu Weldie	7,595.00	7,595.00							
3/31/2003	2990	Payroll -033103	Virginia Chernock	9,160.17	9,160.17							
5/21/2003	5625	Mobile Modular Mgmt Corp	Rent, delivery, block & level - 4/15/03 to 4/13/04	8,866.00						8,866.00		
5/21/2003	5829	Miller Brown & Dannis	Construction Issues - March 2003 invoice	12,620.77	12,620.77							
6/20/2003	5840	Johnson & Daly Moving Storage	Moving services - Tam High School	10,130.00				10,130.00				
Accts pay	5840	Cor O Van Moving & Storage	June 10, 11, 13, 15, 16	31,471.48	-					31,471.48		
Accts pay	5841	BPS Reprographic Services	Printing services	22,337.56						22,337.56		
2/13/2003	5849	TSG Networks	Cabling for District Office & ETF	34,548.83			34,548.83					
5/14/2003	5849	Harding ESE	Environmental consulting	40,701.47						40,701.47		
Accts pay	6140	Chaudhary & Associates	Topographic and boundary surveys	20,200.00				20,200.00				
1/15/2003	6210	Deems Lewis McKinley	Professional services for 12/1/02 to 12/31/02 - TUHSD Drake HS Increment #3 - Main project	110,005.56					110,005.56			
2/21/2003	6210	Quattrocchi Kwok Architects	Professional services for 11/1/02 to 11/30/02 - Redwood HS Modernization	583,344.25						583,344.25		
Accts pay	6210	Quattrocchi Kwok Architects	Professional services - May 1, 2003 to May 31, 2003 - Tamalpais UHSD Corp Yard Modernization	19,743.00		19,743.00						
Accts pay	6210	Quattrocchi Kwok Architects	Professional services - May 1, 2003 to May 31, 2003 - Redwood High School modernization	120,085.30						120,085.30		
Accts pay	6210	Quattrocchi Kwok Architects	Professional services - May 1, 2003 to May 31, 2003 - Tamalpais High School Phase 4	58,603.21				58,603.21				
Accts pay	6210	VBN Architects	Credit architect-completed portion of increment 3B & 4	69,012.28				69,012.28				
Accts pay	6240	JT & T Enterprises Inc	Construction - 6/1/03 to 6/30/03 - Sir Francis Drake High School	177,489.90					177,489.90			
Accts pay	6240	Arntz Builders	Construction - 6/1/03 to 6/30/03 - Tamalpais High School	607,345.59				607,345.59				
Accts pay	6281	Vanir Construction Management	Estimated construction management-May & June	260,450.94	260,450.94							
Accts pay	6281	Vanir Construction Management	Estimated construction management-May & June	81,220.00					81,220.00			
			Invoices Tested	2,289,506.05	294,401.62	19,743.00	34,548.83	765,291.08	368,715.46	806,806.06	-	-
			Total Expenditures	8,281,315.00	1,039,386.00	28,328.00	99,784.00	2,817,196.00	1,374,982.00	2,929,935.00	(5,838.00)	(2,458.00)
			Percent Tested	27.6%	28.3%	69.7%	34.6%	27.2%	26.8%	27.5%	0.0%	0.0%

Tamalpais Union High School District
Bond Expenditures - Internal Control Walkthroughs
6/30/2003

Objective — To perform walkthrough of bond expenditure internal controls

Procedure — Randomly select ten disbursements selected for 25% testing and obtain backup documentation (invoices, PO, check requests etc) and perform the following
Verify invoice matches amount and payee.
Verify expenditure is approved by V-Anne or Arvo as being for the bond purpose.
Verify invoice is paid withing 30 days of receipt date
Review bid process if bid process occurred during audit period
If amount is for a reimbursement, verify copy of receipt is attached.

Results:

Payee	Date Paid	Description	Check #	Reference #	Amount	Invoice Supports Disbursement	Documents have appv initials - Karl/ Viann/Arvo	Invoice paid within 30 days	Reviewed Bid docs/ or Selection Memo	Verified receipt copies for other exp (exc mileage)
Mobile Modular Mgmt Corp	5/21/2003	Rent, delivery, block & level - 4/15/03 to 4/13/04	607355	P.O. 32947	8,866.00	✓	✓	✓	n/a	n/a
Miller Brown & Dannis	5/21/2003	Construction Issues - March 2003 invoice	607345	P.O. 23931	12,620.77	✓	✓	a	n/a	n/a
Johnson & Daly Moving Storage	6/20/2003	Moving services - Tam High School	610867	P.O. 32869	10,130.00	✓	✓	✓	n/a	n/a
Cor O Van Moving & Storage	7/25/2003	June 10, 11, 13, 15, 16	614047	E.P. 30430	31,471.48	✓	✓	✓	n/a	n/a
BPS Reprographic Services	7/30/2003	Printing services	614260	E.P. 30494	22,337.56	✓	✓	✓	n/a	n/a
TSG Networks	2/13/2003	Cabling for District Office & ETF	903170	H.W. 903170	34,548.83	✓	✓	✓	n/a	n/a
Harding ESE	5/14/2003	Environmental consulting	606472	P.O. 31296	40,701.47	✓	✓	✓	n/a	n/a
Chaudhary & Associates	7/30/2003	Topographic and boundary surveys	614261	PV 40102-7	20,200.00	✓	✓	✓	n/a	n/a
Deems Lewis McKinley	1/15/2003	Professional services for 12/1/02 to 12/31/02 - TUHSD Drake HS Increment #3 - Main project	592690	P.O. 23937	110,005.56	✓	✓	✓	✓	n/a
Vanir Construction Management	7/30/2003	Estimated construction management-May & June	614244	E.P. 30470	81,220.00	✓	✓	✓	✓	✓

a Unable to determine if timely paid, no received date stamped page 1 of invoice - invoice dated 3/31/03 so probably received in 4/03 and paid 5/21/03

Conclusion — Internal controls appear to be operating according to our understanding.

TAMALPAIS UNION HIGH SCHOOL DISTRICT

GENERAL OBLIGATION BONDS
FINANCIAL REPORT
DECEMBER 31, 2003

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
TABLE OF CONTENTS
DECEMBER 31, 2003

Independent Auditors' Report	1
FINANCIAL STATEMENTS	
Building Fund	
Balance Sheet	2
Statement of Revenues, Expenditures and Changes in Fund Balance	3
Notes to Financial Statements	4
SUPPLEMENTAL INFORMATION	
Statement of Cash Flows	9
Statement of Revenues, Expenditures -- Budget and Actual	10

Vavrinek, Trine, Day & Co., LLP
Certified Public Accountants & Consultants

VALUE THE DIFFERENCE

INDEPENDENT AUDITORS' REPORT

Governing Board
Tamalpais Union High School District
Larkspur, California

We have audited the accompanying financial statements of the building fund of the Tamalpais Union High School District, as of and for the six months ended December 31, 2003, as listed in the table of contents. 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. 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 1, the financial statements present only the building fund and do not purport to, and do not, present fairly the financial position and results of operations of the Tamalpais Union High School District in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the building fund of the Tamalpais Union High School District at December 31, 2003, and the results of its operations and cash flows for the six months then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying supplemental information 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 basic financial statements taken as a whole.

Vavrinek, Trine, Day & Co LLP

Pleasanton, California
February 4, 2004

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TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
BALANCE SHEET
DECEMBER 31, 2003

ASSETS	
Cash and investments	$ 34,253,509
Accounts receivable	160,084
Due from other funds	149,040
Total Assets	$ 34,562,633
LIABILITIES AND FUND EQUITY	
LIABILITIES	
Accounts payable	3,187,094
Due to general fund	3,235
Total Liabilities	3,190,329
FUND EQUITY	
Fund balances	
Undesignated	31,372,304
Total Fund Equity	31,372,304
Total Liabilities and Fund Equity	$ 34,562,633

The accompanying notes are an integral part of these financial statements.

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE SIX MONTHS ENDED DECEMBER 31, 2003

REVENUES	
Interest income	$ 321,139
Total Revenues	321,139
EXPENDITURES	
Current Expenditures	
Classified salaries	154,335
Employee benefits	42,272
Books and supplies	11,200
Services and operating expenditures	689,828
Capital outlay	
Architectural services	1,771,378
Permanent construction	13,505,029
Construction management	927,335
Other capital outlay	332,031
Total Expenditures	17,433,408
EXCESS OF REVENUES UNDER EXPENDITURES	(17,112,269)
OTHER SOURCES (USES)	
Transfer in - Federal repair and renovation grant reimbursement	149,040
EXCESS OF REVENUES UNDER EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(16,963,229)
FUND BALANCE, JULY 1, 2003	48,335,533
FUND BALANCE, DECEMBER 31, 2003	$ 31,372,304

The accompanying notes are an integral part of these financial statements.

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003

NOTE #1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Tamalpais Union High School District bond funds conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants. The Tamalpais Union High School District building fund accounts for financial transactions in accordance with the policies and procedures of the California School Accounting Manual.

A. Financial Reporting Entity

The financial statements include only the Building fund of the Tamalpais Union High School District. This fund was established to account for the expenditures of general obligation bonds issued under the General Obligation Bonds Election of 2001. The authorized issuance amount of the bonds is $121,000,000. The first series of bonds in the amount of $20,820,000 and the second series in the amount of $49,580,000 have been sold. These financial statements are not intended to present fairly the financial position and results of operations of the Tamalpais Union High School District in compliance with accounting principles generally accepted in the United States of America.

B. Fund Accounting

The operations of the Building fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance (or retained earnings), revenues, and expenditures (or expenses). Resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures or expenses 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 Tamalpais Union High School District building funds are accounted for under the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the accounting period in which the liability is incurred (when goods are received or services rendered), except for unmatured interest on general long-term debt, which is recognized when due.

D. Fund Balance Reserves and Designations

Reservations of the ending fund balance indicate the portions of fund balance not available for appropriation or amounts legally segregated for a specific future use. Designations of the ending fund balance indicate tentative plans for financial resource utilization in a future period. No amounts were reserved or designated at December 31, 2003.

E. Property Tax

Secured property taxes attach as an enforceable lien on property as of January 1. Supplemental taxes for repayment of bond proceeds are collected by the County of Marin from all taxable property within the District and deposited in the Bond Interest and Redemption Fund of the District. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10, and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County of Marin bills and collects the taxes for the District. The District recognizes tax revenues when received.

F. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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/expenses during the reporting period. Actual results could differ from those estimates. Capital outlay expenditures include an estimated $184,365 for December and prior invoices for construction services in which invoices had not yet been received from the contractors.

NOTE #2 – INVESTMENTS

Investments at December 31, 2003, held on behalf of the building fund of the Tamalpais Union High School District consist of deposits in the County of Marin Treasury:

	Reported Amount	Fair Value
Deposits with county treasurer	$34,253,459	$ 34,288,706

Deposits with County Treasurer is an external investment pool sponsored by the County of Marin. School districts are required to deposit all receipts and collections of monies with their county treasurer (Education Code Section 41001). Therefore, the District is considered to be an involuntary participant in an external investments pool. County deposits are not required to be categorized. The pool sponsor provided the fair value for these deposits. The most recent market value information for the county cash pool provided by the County was as of June 30, 2003.

In addition to the investment with the County Treasurer, the building fund has petty cash of $50.

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003

NOTE #3 – ACCOUNTS RECEIVABLE

Receivables at December 31, 2003, consist of the following:

Interest	$ 160,084

NOTE #4 – INTERFUND TRANSACTIONS

Interfund Receivables (Due from) and Payables (Due To)

Interfund receivables and payables at December 31, 2003 are as follows:

Due from restricted general fund for bond project construction expenditures that a federal repair and renovation grant will pay for.	$ 149,040
Due to general fund for expense reimbursements for items paid by general fund.	$ 3,235

NOTE #5 – ACCOUNTS PAYABLE

Accounts payable at December 31, 2003, consists of the following:

Vendor payables	$ 2,964,142
Retentions	202,043
Salaries and stipends	20,909
Total	$ 3,187,094

NOTE #6 – FUND BALANCES

Fund balances are composed of the following elements:

Unreserved	
Undesignated	$31,372,304

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003

NOTE #7 – GENERAL LONG-TERM DEBT

Under the modified accrual basis of accounting, liabilities for long-term debt are not reported in the individual funds. However, they are reported as liabilities on the Statement of Net Assets in the Entity Wide financial statements of the Tamalpais Union High School District.

General obligation bonds have been issued and are outstanding as follows:

Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Balance 07/01/03	Issued	Payments	Bonds 12/31/03
2001	2026	3.375-5.50	$20,820,000	$20,270,000	$ -	$ 580,000	$19,690,000
2002	2027	3.0-6.0	49,580,000	49,580,000	-	1,245,000	48,335,000
				$69,850,000	$ -	$1,825,000	$68,025,000

Debt Service Requirements

The general obligation bonds mature through 2027 as follows:

Fiscal Year	Principal	Interest to Maturity	Total
2004	$ -	$ 1,608,517	$ 1,608,517
2005	1,790,000	3,169,335	4,959,335
2006	1,865,000	3,080,088	4,945,088
2007	1,950,000	3,006,041	4,956,041
2008	2,030,000	2,938,022	4,968,022
2009-2013	11,345,000	13,424,176	24,769,176
2014-2018	13,490,000	10,562,273	24,052,273
2019-2023	16,390,000	6,899,830	23,289,830
2024-2028	19,165,000	2,368,375	21,533,375
Total	$68,025,000	$47,056,657	$115,081,657

As of December 31, 2003, there was $1,249,774 in the Bond Interest and Redemption Fund of Tamalpais Union High School District, which will be used to make interest and principal payments on the bonds.

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003

NOTE #8 – COMMITMENTS AND CONTINGENCIES

As of December 31, 2003, the building fund had the following commitments with respect to unfinished capital projects:

Description	Amount	Expected Completion Dates
Tamalpais High School modernization projects	$ 3,581,155	through 6/30/05
Sir Francis Drake High School modernization projects	7,264,355	through 6/30/05
Redwood High School modernization projects	10,060,612	through 6/30/05
San Andreas High School modernization projects	41,078	through 6/30/05
Tamascal modernization projects	161,036	through 6/30/05
District office modernization projects	147,065	through 6/30/05
Corporate yard modernization projects	110,579	through 6/30/05
Total	$ 21,365,880	

SUPPLEMENTAL INFORMATION

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2003

CASH FLOWS FROM OPERATING ACTIVITIES	
Interest received	$ 448,747
Payments to suppliers	(18,417,085)
Payments to employees	(204,070)
Net Cash Used by Operating Activities	(18,172,408)
NET DECREASE IN CASH	(18,172,408)
CASH AND CASH EQUIVALENTS, JULY 1, 2003	52,425,917
CASH AND CASH EQUIVALENTS, DECEMBER 31, 2003	$ 34,253,509

RECONCILIATION OF OPERATING INCOME TO NET CASH USED BY OPERATING ACTIVITIES	
Operating loss	$(17,112,269)
Adjustments to reconcile operating income/(loss) to net cash flows from operating activities	
Changes in assets and liabilities	
(Increase)/decrease in:	
Interest receivable	127,608
Increase/(decrease) in:	
Accounts payable	(1,190,528)
Due to other funds	2,766
Net Cash Flows Used by Operating Activities	$(18,172,423)

TAMALPAIS UNION HIGH SCHOOL DISTRICT

BUILDING FUND
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
AS OF DECEMBER 31, 2003

	Budget	Actual Expenditures			Remaining Balance
		Prior Period	7/03 to 12/03	Total	
REVENUES					
Interest income	$ 1,670,000	$ 1,645,615	$ 321,139	$ 1,966,754	$ (296,754)
Total Revenues	1,670,000	1,645,615	321,139	1,966,754	(296,754)
EXPENDITURES					
Current Expenditures					
Classified salaries	1,143,000	415,514	154,335	569,849	573,151
Employee benefits	195,000	86,624	42,272	128,896	66,104
Books and supplies	175,000	44,735	11,200	55,935	119,065
Services and operating expenditures	10,182,209	2,294,302	689,828	2,984,130	7,198,079
Capital outlay					
Architectural services	9,638,409	7,283,363	1,771,378	9,054,741	583,668
Permanent construction	82,360,420	11,779,652	13,505,029	25,284,681	57,075,739
Construction management	7,647,239	2,055,465	927,335	2,982,800	4,664,439
Other capital outlay	11,328,723	425,610	332,031	757,641	10,571,082
Total Expenditures	122,670,000	24,385,265	17,433,408	41,818,673	80,851,327
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	(121,000,000)	(22,739,650)	(17,112,269)	(39,851,919)	81,148,081
OTHER FINANCING SOURCES/(USES)					
Bond proceeds	121,000,000	70,400,000	-	70,400,000	(50,600,000)
Bond premium	-	937,425	-	937,425	937,425
Underwriter discount	-	(262,242)	-	(262,242)	(262,242)
Transfer in - Federal repair and renovation grant	-	-	149,040	149,040	149,040
Total Other Financing Sources/(Uses)	121,000,000	71,075,183	149,040	71,224,223	(49,775,777)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER/(UNDER) EXPENDITURES AND OTHER USES	$ -	$48,335,533	$ (16,963,229)	$31,372,304	$ 31,372,304

TAMALPAIS UNION HIGH SCHOOL DISTRICT

GENERAL OBLIGATION BONDS
AGREED-UPON PROCEDURES
REPORT
DECEMBER 31, 2003

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Citizens' Fiscal Oversight Committee
Tamalpais Union High School District
Larkspur, California

We have performed the agreed-upon procedures, which were agreed to by the management of the Tamalpais Union High School District and the Citizen's Fiscal Oversight Committee, to review 25% of the expenditures of 2001 General Obligation Bond funds for the period of July 1, 2003 to December 31, 2003 for the purpose of verifying if the use of the funds is within the scope of the published materials specifying the intended use of bond funds. We used election documents, District resolutions, the master plan and the revised master plan as the guidance for the intended use of the funds. For any expenditures in question, we recommended that the District obtain the opinion of legal counsel and we informed this committee as to the issues. Management is responsible for Tamalpais Union High School District's compliance with election documents, district resolutions, master plan, and the revised master plan. This engagement to perform agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and meets the compliance requirements to perform an "audit" as outlined in Subparagraph (C) of paragraph (3) of subdivision (b) of section 1 of Article XIII A of the California Constitution. The sufficiency of these procedures is solely the responsibility of those specified parties in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Financial Summary

1. The general obligation bond funds were authorized at an election of the registered voters of the District held on March 6, 2001. The bonds were authorized at an issuance of $121,000,000 principal amount for the purpose of financing the addition and modernization of school facilities. The first series of the bonds were issued in 2001 and sold in the amount of $20,820,000. The second series of the bonds were issued in 2002 and sold in the amount of $49,580,000.

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2. Total expenditures and commitments through December 31, 2003, were $63,184,553.

3. An analysis of expenditures is as follows:

Expenditures	Prior Periods	7/1/2003 to 12/31/03	Total
Salaries and benefits	$ 502,138	$ 196,607	$ 698,745
Supplies	44,735	11,200	55,935
Services	2,294,302	689,828	2,984,130
Capital outlay			
Architectural services	7,283,363	1,771,378	9,054,741
Permanent construction	11,779,652	13,505,029	25,284,681
Construction management	2,055,465	927,335	2,982,800
Other capital outlay	425,610	332,031	757,641
Total expenditures	$24,385,265	$17,433,408	41,818,673
Contract commitments, December 31, 2003			21,365,880
Total expenditures and commitments			$ 63,184,553

Available unspent funds from the first and second bond series as of December 31, 2003 are:

General obligation bonds proceeds, series 1	$20,820,000
General obligation bonds proceeds, series 2	49,580,000
Bond premium less underwriters discount	675,183
Interest earned in building fund	1,966,754
Bond project expenditures funded by federal repair and renovation grant	149,040
Total expenditures and commitments	(63,184,553)
Amount available	$10,006,424

Agreed Upon Procedures Performed

1. Verify that the expenditure of funds were accounted for separately in the accounting records to allow for accountability.

2. Verify that the net funds from the sale of the General Obligation Bonds were deposited in total into the District's accounts by obtaining settlement statement for the new bond issue and verifying amounts deposited into the building and bond interest and redemption funds.

3. Select 25% of the expenditures at each location and verify that the funds expended complied with the purpose that was specified to the registered voters of the District through election materials, district resolutions, master plan, and revised master plan that were distributed to the voters. Focus on expenditures related to teacher stipends for moving, construction change orders, and maintenance overtime. See supplemental information for list of expenditures reviewed.

4. Verify that District's internal control procedures are operating according to District policies. See supplemental information for list of expenditures reviewed.

4. Verify that District's internal control procedures are operating according to District policies. See supplemental information for list of expenditures reviewed.

5. Verify that the State and District policies were followed in the awarding of bids and expenditure of the funds.

Results of Procedures

1. The general obligations bond fund expenditures were accounted for separately in the building fund of the District.

2. There were no net proceeds from the sale of the general obligation bonds during the six month period of July 1, 2003 to December 31, 2003. Therefore, there were no other financing sources or uses of funds during the period.

3. Our review of the expenditures for the period July 1, 2003, through December 31, 2003, did not reveal any items that were paid from the general obligation bond funds that did not comply with the purpose of the Bonds that were approved by the registered voters of the District on March 6, 2001. See supplemental information for list of expenditures reviewed.

   We did not request that management of the District obtain any legal opinions on expenditures for the period of July 1, 2003 to December 31, 2003.

   Approved change orders during the period were $445,825, of which 44% were reviewed for board approval, and which did not reveal any items that did not comply with the bond purpose. See supplemental information for list of change orders reviewed.

   Moving stipends for teachers and others during the period totaled $44,578, of which 31% were reviewed for move pay authorization and which did not reveal any items that did not comply with the bond purpose. See supplemental information for list of moving stipends reviewed.

   Maintenance overtime during the period totaled $9,557, of which 33% were reviewed for documentation on separate time cards as hours worked for modernization projects and did not reveal any items that did not comply with the bond purpose. See supplemental information for list of maintenance overtime charges reviewed.

4. Our review of the internal control procedures followed on selected invoices revealed no exceptions to the internal control policies of the District, except that three of seven invoices selected for review were not processed for payment within 30 days of receipt.

5. Our review of the awarding of contracts and the disbursement of funds revealed no exceptions to the policies of the State and the District.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Tamalpais Union High School District and the Citizen's Fiscal Oversight Committee and is not intended to be and should not be used by anyone other than those specified parties.

Vavrinek, Trine, Day & Co LLP

Pleasanton, California
February 4, 2004

Tamalpais Union High School District
Supplemental Information
Bond Expenditures Reviewed in Applying Agreed Upon Procedures
12/31/03

Check Date	Object Code	Vendor	Description as indicated by invoice	Amount	District - wide 001	Corp Yard 007	District Office 051	Tamalpais 052	Drake 053	Redwood 054	San Andreas 055	Tamiscal 056
9/10/2003	5840	MS Environmental Solutions Inc	Relocate hazardous materials	3,131	-	-	-	1,566	1,566	-	-	-
9/29/2003	6240	Arntz Builders	Redwood HS mod construction for August 2003	1,951,570	-	-	-	-	-	1,951,570	-	-
10/1/2003	6240	JT&T enterprises Inc.	Drake construction for August 2003	217,271	-	-	-	-	217,271	-	-	-
10/15/2003	5840	Employees	Moving stipends	930	-	-	-	-	-	930	-	-
10/29/2003	6240	Vila Construction Company	Drake construction for Sept 2003	661,003	-	-	-	-	661,003	-	-	-
10/29/2003	6210	Quattrocchi Kwok Architects	professional svcs rendered for San Andreas Mod for 9/1/03-9/30/03	24,067	-	-	-	-	-	-	24,067	-
10/30/2003	6240	Reimb for work order	Transbay rekey all doors	2,202	-	-	2,202	-	-	-	-	-
10/30/2003	6240	Reimb for work order	North Marin Painting - building interior	14,687	-	-	14,687	-	-	-	-	-
11/24/2003	5849	Miller Pacific Engineering Group	Redwood & Tam High bleacher replacement	11,064	-	-	-	5,532	-	5,532	-	-
11/26/2003	5829	Miller Brown & Dannis	Consulting - construction issues re lease	1,122	1,122	-	-	-	-	-	-	-
11/26/2003	6240	James E. Thompson	Change order #1 for Drake increment 2	45,075	-	-	-	-	45,075	-	-	-
11/26/2003	6240	Arntz Builders	Tamalpais HS construction for October 2003	874,603	-	-	-	874,603	-	-	-	-
12/17/2003	5803	San Francisco Cronicle	Ads for request for proposal for Tam HS	3,579	3,579	-	-	-	-	-	-	-
12/19/2003	6240	Alten Construction	Larkspur Corp Yard modernization	171,765	-	171,765	-	-	-	-	-	-
1/7/2004	6281	Vanir Construction Management	Construction management - September and October 2003	343,847	168,949	-	-	69,712	66,002	39,184	-	-
1/12/2004	6220	QA Consultants	December 2003 services	13,430	-	-	-	13,430	-	-	-	-
AP	6210	Quattrocchi Kwok Architects	Design services December 2003	191,517	-	-	-	191,517	-	-	-	-
AP	6210	Deems Lewis McKinley	Design services December 2003	125,504	-	-	-	-	125,504	-	-	-
AP	6240	Vila Construction Company	Construction for December 2003	333,256	-	-	-	-	333,256	-	-	-
AP	6240	Arntz Builders	Construction for December 2003	739,663	-	-	-	-	-	739,663	-	-
AP	6240	Arntz Builders	Construction during December 2003	334,936	-	-	-	334,936	-	-	-	-
AP	6210	Quattrocchi Kwok Architects	Design services December 2003	24,448	-	-	-	-	-	-	24,448	-
AP	5829	Miller, Brown & Dannis	Legal services for December 2003	4,781	4,781	-	-	-	-	-	-	-
AP	6281	Vanir Construction Management	Estimated construction management - December 2003	63,425	63,425	-	-	-	-	-	-	-
			Total Invoices Tested	6,156,876	241,857	171,765	16,889	1,491,295	1,449,677	2,736,878	48,515	-
			Total Expenditures	17,433,408	965,723	553,484	45,166	4,189,264	4,299,383	7,274,369	106,113	(94)
			Percent Tested	35.3%	25.0%	31.0%	37.4%	35.6%	33.7%	37.6%	45.7%	0.0%

Tamalpais Union High School District
Supplemental Information
Focus Areas
12/31/03

Change Orders

Contractor	Location	Increment/project	Change Order #	Amount	Approved by Board
James E. Thompson	Drake	Increment 2	1	45,075	7/15/2003
Vila Construction	Drake	Increment 3	1	79,894	10/14/2003
MA Davies	Redwood	Portables	2	72,525	8/12/2003
Total tested				197,494	
Total approved during period				445,825	
Percent tested				44%	

Moving Stipends

Payee	Location	Description	Amount	Matches move pay authorization
Various	Drake	August moving stipends	12,751	Yes
Various	Redwood		930	Yes
Total tested			13,681	
Total paid during period			44,577	
Percent tested			31%	

Maintenance Overtime

Payee	Date	Description	Position	Amount	Supported by separate timecard
John Amaral	9/19/2003	Modernization moving	Lead Groundskeeper	451	Yes
Robert Amaral	9/19/2003	Modernization moving	Custodian	151	Yes
Italo Aragon	9/19/2003	Modernization moving	Night Custodian	309	Yes
Stephen Avanzino	9/19/2003	Modernization moving	Night Custodian	641	Yes
Richard Grant	9/19/2003	Modernization moving	Groundsperson	98	Yes
Tomas Herrera	9/19/2003	Modernization moving	Night Custodian	556	Yes
Leviston Hooks	9/19/2003	Modernization moving	Custodian	77	Yes
Harold Oden	9/19/2003	Modernization moving	Custodian	108	Yes
Salvador Serrano	9/19/2003	Modernization moving	Night Custodian	773	Yes
Total tested				3,164	
Total paid during period				9,557	
Percent tested				33%	

Tamalpais Union High School District
Bond Expenditures - Internal Control Walkthroughs
12/31/03

Payee	Date Paid	Description	Check #	Ref #	Invoice Amount	Invoice Supports Disbursement	Documents have appv initials - Karl/ V-Anne/Arvo	Invoice paid within 30 days	Verified receipt copies for other exp (exc mileage)
MS Environmental Solutions	9/10/2003	Removal of hazardous waste	617597	PO 40275	3,131.34	✓	✓	✓	n/a
Arntz Builders	9/29/2003	Redwood construction August 2003	619580	PO 33232	1,951,570.00	✓	✓	✓	n/a
JT Enterprises Inc	10/1/2003	Drake construction August 2003	619977	PO 32652	217,271.00	✓	✓	✓	n/a
Vila Construction	10/29/2003	Drake construction September 2003	623217	PO 40932	661,003.00	✓	✓	✓	n/a
San Francisco Chronicle	12/17/2003	Ads for Tam HS inspector svcs	628756	PO 41550	3,579.48	✓	✓	✖	n/a
Miller Brown & Dannis	11/26/2003	Consulting on construction issues re lease	626649	PO 23931	1,122.00	✓	✓	✳	n/a
Miller Pacific Engineering	11/24/2003	Redwood & Tam High bleacher replacement	626188	PO 40363	11,063.50	✓	✓	✚	n/a

✓ No exception noted.

✳ Invoice was outstanding for 44 days prior to payment.

✚ Invoice was outstanding for 49 days prior to payment.

✖ Invoice was outstanding for 33 days