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LYNWOOD UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE K)

FINANCIAL AND PERFORMANCE AUDITS

JUNE 30, 2025

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LYNWOOD UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE K)
TABLE OF CONTENTS
JUNE 30, 2025

Independent Auditors' Report	1
FINANCIAL SECTION	
Financial Statements	
Balance Sheet	4
Statement of Revenues, Expenditures, and Changes in Fund Balance	5
Notes to Financial Statements	6
OTHER INDEPENDENT AUDITORS' REPORT	
Independent Auditors' 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*	11
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	
Schedule of Financial Statement Findings	13
Summary Schedule of Prior Audit Findings	14
PERFORMANCE AUDIT	
Independent Auditors' Report on Proposition 39 Compliance	16
Authority of Issuance	16
Purpose of Issuance	16
Authority for the Audit	17
Objectives of the Audit	17
Scope of the Audit	18
Methodology	18
Conclusion	19
Schedule of Findings and Questioned Costs	20
Summary Schedule of Prior Audit Findings	21

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INDEPENDENT AUDITORS' REPORT

Governing Board and Citizen's Oversight Committee
Lynwood Unified School District
Lynwood, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Building Fund (Measure K) of Lynwood Unified School District (the "District") and the related notes to financial statements as of and for the fiscal year ended June 30, 2025, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Building Fund (Measure K) of the District, as of June 30, 2025, and the changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the District's Building Fund (Measure K) and do not purport to, and do not, present fairly the financial position of the District as of June 30, 2025, and the changes in financial position for the fiscal year then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2025 on our consideration of the District's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts and other matters for Building Fund (Measure K). 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 effectiveness of the District's internal control over financial reporting or on compliance for Building Fund (Measure K). That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance for Building Fund (Measure K).

CWDL, Certified Public Accountants

San Diego, California
December 29, 2025

FINANCIAL SECTION

LYNWOOD UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE K)
BALANCE SHEET
JUNE 30, 2025

ASSETS		
Cash and investments	$	5,497,629
Accounts receivable		235,175
Due from other funds		207,783
Prepaid expenditures		5,752
Total Assets	$	5,946,339
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$	430,116
Fund Balance		
Restricted		5,516,223
Total Liabilities and Fund Balance	$	5,946,339

LYNWOOD UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE K)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2025

REVENUES		
Interest income/(loss)	$	460,495
Unrealized gain/(loss) on cash in county - current year		(139,938)
Unrealized gain/(loss) on cash in county - prior year reversal		368,646
Total Revenues		689,203
EXPENDITURES		
Books and supplies		4,426
Services and other operating expenditures		275,469
Capital outlay		2,292,002
Total Expenditures		2,571,897
Net Change in Fund Balance		(1,882,694)
Restricted Fund Balance, July 1, 2024		7,398,917
Restricted Fund Balance, June 30, 2025	$	5,516,223

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Lynwood Unified School District's (the "District") Building Fund (Measure K) conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The District Building Fund accounts for financial transactions in accordance with the policies and procedures of the *California School Accounting Manual*.

Financial Reporting Entity

The financial statements include only the Building Fund of the District used to account for Measure K projects. This Fund was established to account for the receipt of proceeds and expenditures of general obligation bonds issued under Measure K. These financial statements are not intended to present fairly the financial position and the changes in financial position of the District in accordance with accounting principles generally accepted in the United States of America.

Fund Accounting

The operations of the Building Fund (Measure K) are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. 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.

Basis of Accounting

The Building Fund (Measure K) is accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

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 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Encumbrances

The District utilizes an encumbrance accounting system under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are liquidated when the commitments are paid, and all outstanding encumbrances lapse at June 30.

Fund Balance - Building Fund (Measure K)

As of June 30, 2025, the fund balance is classified as follows:

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Spending Order Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

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 during the reporting period. Actual results could differ from those estimates, and those differences could be material.

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 instrument; 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 agreement; 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.

Investment 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 fairly 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. The District's investment in the County Treasury is measured at fair value on a recurring basis, which is determined by the fair value per share of the underlying portfolio determined by the program sponsor. Positions in this investment pool is not required to be categorized within the fair value hierarchy.

NOTE 2 – CASH AND INVESTMENTS, continued

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

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 is to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the Los Angeles County Treasury Investment Pool. The District maintains a Building Fund (Measure K) investment of $5,497,629 with the Los Angeles County Treasury Investment Pool, with an average maturity of 556 days.

NOTE 2 – CASH AND INVESTMENTS, continued

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 District's investments in the Los Angeles County Treasury Investment Pool is not required to be rated, nor has it been rated as of June 30, 2025.

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2025, amounted to $235,175.

NOTE 4 – DUE FROM OTHER FUNDS

The General Fund owes $207,783 to the Building Fund (Measure K) for reimbursement of costs.

NOTE 5 – ACCOUNTS PAYABLE

Accounts payable at June 30, 2025, amounted to $430,116.

NOTE 6 – COMMITMENTS AND CONTINGENCIES

Construction Commitments

As of June 30, 2025, the Building Fund (Measure K) had committed under various capital expenditure purchase agreements for various projects to be funded through general obligation bonds.

Litigation

The District is not currently a party to any legal proceedings related to the Building Fund (Measure K) as of June 30, 2025.

NOTE 7 – SUBSEQUENT EVENTS

The District evaluated subsequent events from June 30, 2025 through December 29, 2025, the date the financial statements were issued. The District concluded that no subsequent events have occurred that would require recognition or disclosure in the financial statements.

OTHER INDEPENDENT AUDITORS' REPORT

CWDL

INDEPENDENT AUDITORS' 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*

Governing Board and Citizen's Oversight Committee
Lynwood Unified School District
Lynwood, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Lynwood Unified School District's (the "District") Building Fund (Measure K) as of and for the fiscal year ended June 30, 2025, and the related notes to financial statements, and have issued our report thereon dated December 29, 2025.

Emphasis of Matter
As discussed in Note 1, the financial statements present only Building Fund (Measure K), and do not purport to, and do not, present fairly the financial position of the District as of June 30, 2025, the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over Building Fund (Measure K) financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting for the Building Fund (Measure K).

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's Building Fund (Measure K) financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's Building Fund (Measure K) financial statements are free of material misstatement, we performed tests of the Building Fund's (Measure K) compliance with certain provisions of laws, regulations, and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance for Building Fund (Measure K). This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance for Building Fund (Measure K). Accordingly, this communication is not suitable for any other purpose.

San Diego, California
December 29, 2025

SCHEDULE OF FINDINGS
AND
QUESTIONED COSTS

LYNWOOD UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE K)
SCHEDULE OF FINANCIAL STATEMENTS FINDINGS
JUNE 30, 2025

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

There were no financial statement findings reported for Building Fund (Measure K) for the year ended June 30, 2025.

LYNWOOD UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE K)
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2025

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

2024-001 Correction of Errors and Financial Statement Preparation (Material Weakness)

Criteria or Specific Requirements

Management is responsible for the design, implementation, and maintenance of internal controls to ensure the financial statements are free from material misstatement, whether due to error or fraud. Such internal controls should include a review of year-end closing entries necessary to ensure the financial statements are fairly stated. The District should ensure that all applicable accounting principles are adhered to when preparing the financial statements.

Condition

Restatements to beginning fund balance and certain account balances were necessary to properly account for transactions relating to the previous year. A restatement was necessary to correct the accounts payable balance and the fair market value adjustment to Cash in County Treasury.

Questioned Costs

There were no questioned costs associated with the condition identified.

Context

Several adjustments and reclassification entries were posted to ensure accuracy and correct classification of account balances.

Effect

Material adjustments to the general ledger were proposed as a result of audit procedures. These adjustments were accepted by management to ensure the financial statements were presented fairly.

Cause

The internal controls in place during the closing process, including preparation and review of account reconciliations, journal entries, and accruals, were not performed, or were not performed in a timely manner to ensure accurate reporting of balances for reporting.

LYNWOOD UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE K)
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2025

2024-001 Correction of Errors and Financial Statement Preparation (Material Weakness)

Recommendation

We recommend that all account balances are reconciled and reviewed by appropriate personnel prior to closing the fiscal year ledgers to ensure proper financial reporting. All journal entries posted to the ledger should be reviewed and approved by appropriate personnel. Additionally, policies and procedures should be implemented to ensure that these accounts are reconciled and reviewed throughout the year on a regular basis in order to facilitate timely and accurate reporting at year-end.

Corrective Action Plan and Views of Responsible Officials

This finding is a result of delayed processing of invoices. Through this process, we have learned that the Facilities, Maintenance, and Operations staff must be more timely in reviewing and approving invoices upon receipt. It was determined that most invoices are not forwarded to the Accounts Payable department until approximately 60 days after original receipt. This in turn, creates delays in accruals and payments, which resulted in this finding. Staff from this department will receive training to better understand the impact of this delay in processing. Staff will be closely monitored to ensure that delays no longer occur.

Status: Implemented

PERFORMANCE AUDIT

CWDL

INDEPENDENT AUDITORS' REPORT ON PROPOSITION 39 COMPLIANCE

Governing Board and Citizen's Oversight Committee
Lynwood Unified School District
Lynwood, California

We have conducted a performance audit of the Lynwood Unified School District's (the "District") Building Fund (Measure K) for the fiscal year ended June 30, 2025.

We conducted this 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.

Authority of Issuance

The general obligation bonds associated with Measure K were issued pursuant to the Constitution and laws of the State of California (the "State"), including the provisions of Chapters 1 and 1.5 of Part 10 of the California Education Code, and other applicable provisions of law. The bonds are authorized to be issued by a resolution adopted by the Board of Supervisors of the County on December 11, 2012 (the "Resolution"), pursuant to a request of the District made by a resolution adopted by the Board of Education of the District on November 8, 2012.

The District received authorization from an election held on November 8, 2012 to issue bonds of the District in an aggregate principal amount not to exceed $93,000,000 to finance specific construction and renovation projects approved by eligible voters within the District. The proposition required approval by at least 55% of the votes cast by eligible voters within the District (the "2012 Authorization"). The bonds represent series one through six of the authorized bonds to be issued under the 2012 Authorization.

Purpose of Issuance

The net proceeds of the Bonds and any other series of general obligation bonds issued under the Authorization will be used for the purpose specified in the District bond proposition submitted at the Election, which include repair, upgrade and replace worn-out leaking roofs, bathrooms and plumbing systems; replace existing wiring systems to meet current electrical codes; ensure that all students have access to upgraded science labs and equipment; upgrade aging and deteriorating school classrooms; upgrade athletic facilities so students stay active, engaged in school and out of trouble; upgrade technology, equipment and facilities for job-training programs; install new security systems, such as security cameras, outdoor lighting, fencing, gates and classroom door locks to keep gangs out of local schools; remove or abate asbestos; upgrade emergency communication systems; upgrade fire alarm system and fire safety equipment; improve school access for students with disabilities; keep school clean and well-maintained; and, retrofit school for earthquake safety.

Authority for the Audit

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by the District, "*for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of rental property for school facilities*", upon approval by 55% of the electorate. In addition to reducing the approval threshold from two-thirds to 55%, Proposition 39 and the enacting legislation (AB 1908 and AB 2659) requires the following accountability measures as codified in *Education Code* sections 15278-15282:

1. Requires that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIIIA, Section 1(b)(3)(C) of the California Constitution, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

2. The District must list the specific school facilities projects to be funded in the ballot measure, and must certify that the governing board has evaluated safety, class size reduction and information technology needs in developing the project list.

3. Requires the District to appoint a citizen's oversight committee.

4. Requires the District to conduct an annual independent financial audit and performance audit in accordance with the *Government Auditing Standards* issued by the Comptroller General of the United States of the bond proceeds until all of the proceeds have been expended.

5. Requires the District to conduct an annual independent performance audit to ensure that the funds have been expended only on the specific projects listed.

Objectives of the Audit

Our audit was limited to the objectives listed below which includes determining the compliance with the performance requirements as referred to in Proposition 39 and outlined in Article XIIIA, Section 1(b)(3)(C) of the California Constitution and Appendix A contained in the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* issued by the California Education Audit Appeals Panel. Management is responsible for the District compliance with those requirements.

1. Determine whether expenditures charged to the Building Fund (Measure K) have been made in accordance with the bond project list approved by the voters through the approval of Measure K.

2. Determine whether salary transactions, if any, charged to the Building Fund (Measure K) were in support of Measure K and not for District general administration or operations.

Scope of the Audit

The scope of our performance audit covered the period of July 1, 2024 to June 30, 2025. The population of expenditures tested included all object and project codes associated with the bond projects. The propriety of expenditures for capital projects and maintenance projects funded through other State or local funding sources, other than proceeds of the bonds, were not included within the scope of the audit. Expenditures incurred subsequent to June 30, 2025, were not reviewed or included within the scope of our audit or in this report.

In planning and performing our performance audit, we obtained an understanding of the District's internal control in order to determine if the internal controls were adequate to help ensure the District's compliance with the requirements of Proposition 39 and outlined in Article XIIIA, Section 1(b)(3)(C) of the California Constitution but not for the purpose of expressing an opinion of the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Methodology

We obtained the general ledger and the project expenditure reports prepared by the District for the fiscal year ended June 30, 2025, for the Building Fund (Measure K). Within the fiscal year audited, we obtained the actual invoices, purchase orders, and other supporting documentation for a sample of expenditures to ensure compliance with the requirements of Article XIIIA, Section 1(b)(3)(C) of the California Constitution and Measure K as to the approved bond projects list. We performed the following procedures:

1. We identified expenditures and projects charged to the general obligation bond proceeds by obtaining the general ledger and project listing.

2. We selected a sample of expenditures using the following criteria:
    a. We considered all expenditures recorded in all object codes.
    b. We considered all expenditures recorded in all projects that were funded from July 1, 2024 through June 30, 2025 from Building Fund (Measure K) bond proceeds.
    c. We selected all expenditures that were individually significant expenditures. Individually significant expenditures were identified based on our assessment of materiality.
    d. For all items below the individually significant threshold identified in item 2c, judgmentally selected expenditures based on risk assessment and consideration of coverage of all object codes, and projects for period starting July 1, 2024 and ending June 30, 2025.

3. Our sample included transactions totaling $2,435,716. This represents 94.71% of the total expenditures of $2,571,897.

Methodology, continued

4. We reviewed the actual invoices and other supporting documentation to determine that:
    a. Expenditures were supported by invoices with evidence of proper approval and documentation of receipting goods or services.
    b. Expenditures were supported by proper bid documentation, as applicable.
    c. Expenditures were expended in accordance with voter-approved bond project list.
    d. Bond proceeds were not used for salaries of school administrators or other operating expenses of the District.

5. We determined that the District has met the compliance requirement of Measure K if the following conditions were met:
    a. Supporting documents for expenditures were aligned with the voter-approved bond project list.
    b. Expenditures were not used for salaries of school administrators or other operating expenses of the District.

The results of our tests indicated that the District expended Building Fund (Measure K) funds only for the specific projects approved by the voters, in accordance with Proposition 39 and outlined in Article XIIIA, Section 1(b)(3)(C) of the California Constitution.

Conclusion

The results of our tests indicated that, in all significant respects, the District has properly accounted for the expenditures held in the Building Fund (Measure K) and that such expenditures were made for authorized Bond projects.

CWDL, Certified Public Accountants

San Diego, California
December 29, 2025

LYNWOOD UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE K)
PERFORMANCE AUDIT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2025

There were no performance audit findings and questioned costs reported for Building Fund (Measure K) for the year ended June 30, 2025.

LYNWOOD UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE K)
PERFORMANCE AUDIT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2025

There were no performance audit findings and questioned costs reported for Building Fund (Measure K) for the year ended June 30, 2024.