



- x Bond Construction Update  
Presented by Chris Ralston, Assistant Superintendent, Facilities Support Services  
Updates on active projects at the following sites:  
Albert Einstein Middle School  
C.K. McClatchy High School  
J.F. Kennedy High School  
Hiram Johnson High School

All questions were answered.

7.0 Measures Q and R Annual Audit  
Presented by Elizabeth Saks, Audit Partner with Crowe

Prop 39 reminder: upon approval by 55% instead of a simple majority annual audits are required.  
Required to have an oversight committee.  
Required to expend bond funds only for the purpose described in the constitution as well as approved by the voters.  
Required to have both a performance audit and a financial statement audit.

Results:

- x Measure Q and R Financial Statements are presented fairly in all materials respect and in accordance with required standards. No Finding or questioned cost; an unmodified opinion, that is the highest level of assurance you can receive at the end of the audit.
- x Measure Q and R Performance Audit had no exception identified in our tested sample, modified opinion. This is based on compliance, with no exceptions to note at the end.

Measure Q Testing Conclusion:

- x Total Expenditure \$42,446,272.
- x Total tested \$15.8M in non-payroll transactions and \$112K in payroll transactions totaling 38% of all expenditures. Specifically selected payroll because of the high scrutiny around that and the nature of making sure that payroll expenditures that shouldn't be in there are not in there. No finding or questioned costs were noted. We do want to emphasize that high level of coverage, we do focus on large dollars but, we also stratify our sample to make sure we are pulling in smaller dollars. We want to make sure that everyone is falling into compliance.

Measure R Testing Conclusion:

- x Total Expenditures \$822,463.
- x Total tested \$648K.
- x Page 6 of the performance audit will show you the five transactions.

Independent Auditors Report for Measure Q: in all significant respects the district spent the bond funds only for these specific projects that were developed by the governing board and approved by the voters.

Difference between Performance Audits and Financial Statements: Financial statements are not looking for compliance in a certain project list we are looking for proper accounting everything in the proper period

Independent Auditors Reports for Measure R: similar to Measure Q report. The balance sheet is practically zero.

8.0 CBOC Annual Report

Presented by Chris Ralston, Assistant Superintendent, Facility Support Services.

Motion by Brian Hill that the committee will provide a briefing to the school board on June 6<sup>th</sup> in the form of a power point presentation. Seconded by Marcia Fritz. All in favor.

Motion by Brian