

SAN JOSÉ/EVERGREEN COMMUNITY COLLEGE DISTRICT
2010 Measure G GENERAL OBLIGATION BONDS
Objectives, Scope, Methodology and Conclusions
June 30, 2020

OBJECTIVES

The objective of our performance audit was to determine that the District expended 2010 Measure G General Obligation Bond funds for the year ended June 30, 2020 only for the purposes approved by the voters and only on the specific projects developed by the District's Board of Trustees, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)C of Article XIII A of the California Constitution.

SCOPE

The District provided to us a list of all 2010 Measure G General Obligation Bond project expenditures for the year ended June 30, 2020 (the "List"). The list of transactions represented \$8,039,730 in expenditures from July 1, 2019 through June 30, 2020.

METHODOLOGY

We performed the following procedures to the List of 2010 Measure G General Obligation Bond project expenditures for the year ended June 30, 2020:

- Interviewed District management related to controls over planning, bidding, contracting, expenditure of bond funds and financial reporting and determined that controls have been put in place and are working as documented.
- Documented District procedures and controls over planning, bidding, contracting, expenditure of bond funds and financial reporting.
- Performed tests to determine that the District controls over planning, bidding, contracting, expenditure of bond funds and financial reporting have been put in place and are working as documented.
- Verified the mathematical accuracy of the List.
- Reconciled the List to total bond expenditures as reported by the District in the District's audited financial statements for the year ended June 30, 2020, presented as the 2010 General Obligation Bond funds.
- We performed tests and determined that the District has taken actions consistent with the goals of the Outreach Program (Board Policy 6380) to encourage qualified businesses (small, local, or owned by women, minorities, veterans, religious minorities, disabled individuals, members of the LGBTQIA community, or other underrepresented groups) to participate in the Measure G 2010 Bond Program's construction projects at the prime contractor and subcontractor level, in purchasing projects, and as suppliers. Such actions include:
 - Provide Community Outreach and Education
 - Measure Outreach Performance
 - Promote Institutional Awareness, Understanding and Coordination
 - Engage Design-Bid-Build Projects
 - Engage Design-Build Projects
 - Engage Pre-Qualified Contractors and Sub-Contractors

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METHODOLOGY, continued

- We selected a sample of expenditures totaling \$4,376,672. The sample was selected to provide a representation across specific construction projects, vendors and expenditure amounts. The sample represented 57% of the total expenditure value. We verified that the expenditures were for the approved projects and were expended for the upgrading, acquiring, constructing and equipping of school facilities, including building art, science and math classrooms and labs, or expanding healthcare job training facilities, and verified that procurement of contracts and related expenditures met the goals of the Outreach Program.

CONCLUSION

The results of our tests indicated that, in all significant respects, San José/Evergreen Community College District expended 2010 Measure G General Obligation Bond funds for the year ended June 30, 2020 only for the specific projects developed by the District's Governing Board and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution.

DRAFT 1.11.21