

**SONOMA COUNTY JUNIOR
COLLEGE DISTRICT
PROPOSITION 39 MEASURE H
GENERAL OBLIGATION
BONDS**

SANTA ROSA, CALIFORNIA

**PERFORMANCE AUDIT
YEAR ENDED JUNE 30, 2020**

**SONOMA COUNTY JUNIOR COLLEGE DISTRICT PROPOSITION 39
MEASURE H GENERAL OBLIGATION BONDS**

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INDEPENDENT AUDITOR'S REPORT

**Board of Trustees
Sonoma County Junior College District
Santa Rosa, California**

We have conducted a performance audit of the Sonoma County Junior College District's (the District's) Measures H General Obligation Bonds for the year ended June 30, 2020.

We conducted our performance audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for the findings and conclusions based on our audit objectives.

Our audit was limited to the objectives listed on page 2 of this report, which includes determining the compliance with the performance requirements for the Proposition 39 and Measure H General Obligation Bonds under the applicable provisions of Section 1(b)(3)(C) of Article XIII A of the California Constitution and Proposition 39 as they apply to the bonds and the net proceeds thereof. Management is responsible for the Sonoma County Junior College District's compliance with those requirements.

Solely to assist us in planning and performing our performance audit, we obtained an understanding of the internal controls of the District to determine if internal controls were adequate to help ensure the District's compliance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution. Accordingly, we do not express any assurance on the internal controls.

The results of our tests indicated that, in all significant respects, the Sonoma County Junior College District expended Measure H General Obligation Bond funds for the year ended June 30, 2020, only for the specific projects developed by the District's Board of Trustees 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.



**GILBERT CPAs
Sacramento, California**

February 3, 2021

SONOMA COUNTY JUNIOR COLLEGE DISTRICT PROPOSITION 39 MEASURE H GENERAL OBLIGATION BONDS

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OBJECTIVES

The objectives of our performance audit were to document the expenditures charged to Measure H General Obligation Bonds (the Measure) which was approved under Proposition 39; determine whether expenditures for fiscal year ended June 30, 2020, charged to the Bond Funds have been made in accordance with project budgets and guidelines; note any incongruities or system weaknesses; and provide recommendations for improvements.

SCOPE OF THE AUDIT

The scope of our performance audit covered the fiscal year ended June 30, 2020. Expenditures incurred prior to July 1, 2019, were covered in a previous examination. The expenditures 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 were not included within the scope of our audit. Expenditures incurred subsequent to June 30, 2020 were not reviewed or included within the scope of our audit.

BACKGROUND INFORMATION

On November 4, 2014, \$410,000,000 in general obligation bonds was authorized by voters' approval of Measure H. The first series (A) of Bonds in the amount of \$125,000,000 was issued on November 26, 2016. The second series (B) of Bonds in the amount of \$180,000,000 was issued on October 22, 2019. The total proceeds from these bond series less the bond issuance costs are to be used to upgrade, maintain, and improve Santa Rosa Jr. College facilities, classrooms, and technology.

A Citizens Bond Oversight Committee (the Committee) was appointed on June 11, 2002, to comply with the California Constitution and the Education Code. The purpose of the Committee is to inform the public, at least annually, regarding the appropriate use of the Bond proceeds. California Constitution, Article XIII A, Section 1(b)(3), requires an annual performance audit be conducted to ensure that the funds have been expended only on the specific projects publicized by the District.

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PROCEDURES PERFORMED

We obtained the General Obligation Bond Funds general ledger and the project expenditure summary reports and detail prepared by the District for the fiscal year ended June 30, 2020. Within the year audited, we obtained the actual invoices and other supporting documentation for a sample of expenditures to ensure compliance with Proposition 39 and Measure H General Obligation Bond funding. We performed the following procedures:

- We reviewed the list of projects being performed to verify that the list of intended projects is consistent with the District's Facilities Projects Lists.
- We verified that the District created the required debt service fund and capital outlay fund in order to account for the bond proceeds and expenditures.
- We verified that the proceeds from the sale of bonds were deposited in an appropriate debt service fund and a capital outlay projects fund.
- We selected a sample of expenditures in the fiscal year ended June 30, 2020, and reviewed supporting documentation to ensure that funds were properly expended on the specific projects outlined on the publicized list and met the requirements for bidding, if applicable.
- We verified that funds were used for the construction, acquisition, furnishing, and equipping of District facilities, and we verified that funding was not used for salaries of school administrators or other operating expenses of the District.

RESULTS OF PROCEDURES PERFORMED

The District utilized Measures H Bond funds for 71 projects. The District incurred total expenditures of \$166,779,644 through June 30, 2020, for the Measure H projects listed on the following pages.

SONOMA COUNTY JUNIOR COLLEGE DISTRICT PROPOSITION 39 MEASURE H GENERAL OBLIGATION BONDS

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	<u>Previous Expenditures</u>	<u>2019-2020</u>	<u>Grand Total</u>	<u>Project Budget</u>	<u>Status of Project</u>
EXPENDITURES					
Eligible Bond Program Costs	\$ 4,058,272	\$ 1,307,491	\$ 5,365,763	\$ 10,073,125	In Progress
Program Planning and Project Development	4,968,181	663,105	5,631,286	6,000,000	In Progress
<u>EXPANSION AND NEW CONSTRUCTION</u>					
W. Terry Lindley Center for Science, Technology, Engineering and Math (STEM)	2,571,682	1,239,849	3,811,531	65,675,000	In Progress
Jeff Kunde Hall	18,375,857	6,313,949	24,689,806	27,000,000	Complete
Santa Rosa Southwest Center Modular Buildings	146,680		146,680	11,000,000	Complete
Petaluma Campus Science Laboratory	1,668,774	5,503,064	7,171,838	8,600,000	In Progress
Swing Space	4,939,226	249,599	5,188,825	8,025,000	In Progress
Property Acquisition	1,786,184	552,928	2,339,112	6,800,000	In Progress
Shone Farm Various Upgrades	30,593	317,480	348,073	4,750,000	In Progress
Parking and Traffic Improvements	295,835	79,692	375,527	4,200,000	In Progress
Public Safety Training Center Advanced Labs and Classrooms	8,313	3,691	12,004	4,000,000	In Progress
Facility and Site Demolition	391,968	54,540	446,508	1,800,000	In Progress
Demonstration Classrooms	491,556		491,556	750,000	Complete
Veterans Affairs Expansion	386,120		386,120	400,000	Complete
<u>RENOVATION AND MODERNIZATION</u>					
Luther Burbank Auditorium Renovation	25,999,758	10,116,566	36,116,324	40,000,000	Complete
KAD Renovations (Track, Pool, Fieldturf, Quinn & Heahl)	1,721,963	6,645,429	8,367,392	23,600,000	In Progress
C. J. Tauzer Gym Renovation / Health, PE & Wellness Center	327,883	1,588	329,471	16,400,000	In Progress
Emeritus Hall Renovation				11,060,000	
Petaluma Campus Student Services and Food Service	518,972	2,789,832	3,308,804	8,300,000	In Progress
Public Safety Training Center Modernization	6,614,017	287,109	6,901,126	7,200,000	In Progress
A. M. Garcia Hall Renovation	246,341		246,341	4,000,000	On Hold
Peter W. Bussman Hall Modernization		431,080	431,080	3,500,000	
Pioneer Hall Modernization				2,940,000	
Analy Hall Modernization				2,000,000	
Milo Baker Hall Renovation				2,000,000	
Albert Maggini Hall Modernization				1,550,000	
Lawrence A. Bertolini Hall Modernization	329,887	59,095	388,982	1,000,000	In Progress
Frank P. Doyle Library Modernization		7,160	7,160	1,000,000	In Progress
Bernard C. Plover Hall Remodel	429,189	527,523	956,712	1,000,000	In Progress
Foundation Renovation		132,407	132,407	750,000	In Progress
Project Oversight	13,686		13,686	100,000	Complete
Miscellaneous Projects Greater Than \$50,000 Per Project (see page 6)	1,850,273	365,810	2,216,083	5,000,000	See pg 6
Minor Projects Less Than \$50,000 Per Project	963,415	124,724	1,088,139	1,000,000	
<u>INFORMATION TECHNOLOGY</u>					
Instructional Computing	2,140,947	868,211	3,009,158	18,000,000	In Progress
Student Information System	106,138		106,138	11,500,000	In Progress
Media Services	2,334,287	643,435	2,977,722	8,500,000	In Progress
Faculty and Staff Computers	736,529	398,892	1,135,421	4,500,000	In Progress
Frank P. Doyle and Herold Mahoney Libraries	739,269	6,291	745,560	4,500,000	In Progress
Network Infrastructure Equipment	894,050	810,986	1,705,036	4,000,000	In Progress
Network Upgrade	2,851,328	74,912	2,926,240	4,000,000	In Progress
Equipment for Student Services, Administration, Human Resources, Police	161,776	101,980	263,756	500,000	In Progress

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	<u>Previous Expenditures</u>	<u>2019-2020</u>	<u>Grand Total</u>	<u>Project Budget</u>	<u>Status of Project</u>
<u>INFRASTRUCTURE, MAINTENANCE AND REPAIRS</u>					
Energy Conservation and Sustainability Projects (see page 6)	22,291,762	1,350,559	23,642,321	32,487,000	See next pg
Site Improvements (Signage/Fuel Storage/Bike Path/Herit Green/Generator)				600,000	
Miscellaneous Maint/Repairs Greater Than \$50,000 Per Project (see page 6)	7,455,638	2,638,210	10,093,848	14,939,875	See next pg
Minor Maintenance and Repairs Less Than \$50,000 Per Project	777,224	360,475	1,137,699	1,000,000	
<u>HEALTH AND SAFETY IMPROVEMENTS</u>					
Access Control	189,417	1,914,292	2,103,709	9,000,000	In Progress
Americans with Disabilities Act (ADA) Compliance	24,700		24,700	5,000,000	In Progress
Contingencies / TBD				8,000,000	
TOTAL EXPENDITURES	<u>\$ 119,837,690</u>	<u>\$ 46,941,954</u>	<u>\$ 166,779,644</u>	<u>\$ 418,000,000</u>	

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EXPENDITURE DETAIL - MISCELLANEOUS PROJECTS AND REPAIRS	Previous Expenditures	2019-2020	Grand Total	Status of Project
Miscellaneous Projects Greater Than \$50,000 Per Project:				
Bailey Hall Remodel	\$ 243,142		\$ 243,142	Complete
Bailey Kiosk (Food Pantry)	14,525		14,525	Complete
Bussman Data Center Renovation	85,182	\$ 115,834	201,016	In Progress
Bussman Maker Space	287,216		287,216	Complete
Button Building Remodel	257,847		257,847	Complete
Doyle Remodel	171,150	10,651	181,801	In Progress
Forsyth Remodel	12,386	222,040	234,426	In Progress
Garcia Remodel	219,921		219,921	Complete
Lounibos Remodel	18,900		18,900	Complete
Maggini AV	231,230		231,230	Complete
Pioneer Remodel	257,018		257,018	Complete
Plover Remodel	40,264		40,264	Complete
Shone Farm Harvest Facility	11,492	17,285	28,777	In Progress
TOTAL	\$ 1,850,273	\$ 365,810	\$ 2,216,083	
Miscellaneous Maint and Repairs Greater Than \$50,000 Per Project:				
Baker HVAC and Roof	\$ 1,767,282	\$ (91,665)	\$ 1,675,617	Complete
Bech Lot Transformer Replacement	183,947		183,947	Complete
Burdo Boiler		15,760	15,760	In Progress
Bussman Roof	297,770		297,770	Complete
Emeritus Cooling Tower	188,773		188,773	Complete
Groundwater Reclamation	165,442	6,522	171,964	In Progress
Lounibos Roof	1,172,693	642,186	1,814,879	In Progress
Maggini & Call Energy Control	660,722	190,525	851,247	In Progress
Maggini Water Intrusion and Roof	1,265,319		1,265,319	Complete
Pedroncelli Roof	36,018	4,627	40,645	Complete
Petaluma Chiller		56,502	56,502	In Progress
Petaluma Roof - Building 100				
Petaluma Server Room A/C	160,220		160,220	Complete
Public Safety Training Center Pavement Rehabilitation	457,869		457,869	Complete
Public Safety Training Center Roof/HVAC	50,294	315,346	365,640	In Progress
Public Safety Training Center Water Intrusion	317,639		317,639	In Progress
Retro Commissioning	26,955	295,013	321,968	In Progress
Shone Farm Ag Pavilion Roof		1,049,973	1,049,973	In Progress
Switchgear		51,395	51,395	In Progress
Tauzer Roof	704,695	102,026	806,721	In Progress
TOTAL	\$ 7,455,638	\$ 2,638,210	\$ 10,093,848	
Energy Conservation and Sustainability Projects:				
Photovoltaic	\$ 16,315,747	\$ 250,958	\$ 16,566,705	In Progress
Submetering	379,776	240,092	619,868	In Progress
LED Lighting	191,347	240,900	432,247	In Progress
Cogeneration Plant Replacement	993,640	33,757	1,027,397	In Progress
Geothermal Burbank	4,195,042	540,514	4,735,556	In Progress
Sustainability Equipment	29,858		29,858	In Progress
Electric Vehicle Charging Stations	186,352	44,338	230,690	In Progress
TOTAL	\$ 22,291,762	\$ 1,350,559	\$ 23,642,321	

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Each of the projects under Measure H has been given a specific project identification number within the District's General Obligation Bond Funds. Budgets for each project are included in the financial reporting system and actual expenditures are matched against this budget.

CONCLUSION

Based upon the procedures performed, we found that for the items tested, the Sonoma County Junior College District has properly accounted for the expenditures of the Measures H General Obligation Bonds. Further, it was noted that the funds were not used for salaries of school administrators or other operating expenditures. Our audit does not provide a legal determination on the District's compliance with specific requirements.

MANAGEMENT COMMENTS AND RECOMMENDATIONS

None.