

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

SANTA ROSA, CALIFORNIA

**PERFORMANCE AUDIT
YEAR ENDED JUNE 30, 2021**

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

**TABLE OF CONTENTS
JUNE 30, 2021**

	<u>PAGE</u>
Independent Auditor's Report	1
Objectives	2
Scope of the Audit	2
Background Information	2
Procedures Performed	3
Results of Procedures	3
Conclusion	7
Management Comments and Recommendations	7

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, 2021.

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, 2021, 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

**GILBERT CPAs
Sacramento, California**

December 3, 2021

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

PERFORMANCE AUDIT JUNE 30, 2021

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, 2021, 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, 2021. Expenditures incurred prior to July 1, 2020, 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, 2021 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 in December 2016. The second series (B) of Bonds in the amount of \$180,000,000 was issued in November 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.

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

PERFORMANCE AUDIT JUNE 30, 2021

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, 2021. 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, 2021, 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 68 projects. The District incurred total expenditures of \$207,984,437 through June 30, 2021, for the Measure H projects listed on the following pages.

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

PERFORMANCE AUDIT JUNE 30, 2021

	<u>Previous Expenditures</u>	<u>2020-2021</u>	<u>Grand Total</u>	<u>Project Budget</u>	<u>Status of Project</u>
EXPENDITURES					
Eligible Bond Program Costs	\$ 5,365,763	\$ 1,287,132	\$ 6,652,895	\$ 10,309,440	In Progress
Program Planning and Project Development	5,631,286	696,530	6,327,816	6,000,000	In Progress
<u>EXPANSION AND NEW CONSTRUCTION</u>					
W. Terry Lindley Center for Science, Technology, Engineering and Math (STEM)	3,811,531	2,642,145	6,453,676	62,877,000	In Progress
Jeff Kunde Hall	24,689,806	490,352	25,180,158	25,500,000	Complete
Santa Rosa Southwest Center Modular Buildings	146,680		146,680	11,000,000	In Progress
Petaluma Campus Science Laboratory	7,171,838	588,219	7,760,057	8,600,000	In Progress
Property Acquisition	2,339,112	4,095	2,343,207	6,800,000	In Progress
Swing Space	5,188,825	18,331	5,207,156	6,025,000	In Progress
Shone Farm Various Upgrades	376,850	2,613,329	2,990,179	4,750,000	In Progress
Public Safety Training Center Advanced Labs and Classrooms	12,004	20,285	32,289	4,000,000	In Progress
Parking and Traffic Improvements	375,527	895,819	1,271,346	4,000,000	In Progress
Facility and Site Demolition	446,508	495,970	942,478	1,360,000	In Progress
Demonstration Classrooms	491,556		491,556	500,000	Complete
Veterans Affairs Expansion	386,120		386,120	400,000	Complete
<u>RENOVATION AND MODERNIZATION</u>					
Luther Burbank Auditorium Renovation	36,116,324	643,834	36,760,158	38,000,000	In Progress
KAD Renovations (Track, Pool, Fieldturf, Quinn & Heahl)	8,367,392	6,868,926	15,236,318	34,000,000	In Progress
C. J. Tauzer Gym Renovation / Health, PE & Wellness Center	329,471	63,349	392,820	16,000,000	In Progress
Emeritus Hall Renovation				9,500,000	
Petaluma Campus Student Services and Food Service	3,308,804	2,534,738	5,843,542	8,300,000	In Progress
Public Safety Training Center Modernization	6,901,126	63,823	6,964,949	7,200,000	In Progress
A. M. Garcia Hall Renovation	246,341	620,539	866,880	5,000,000	In Progress
Peter W. Bussman Hall Modernization	431,080	761,373	1,192,453	2,500,000	In Progress
Milo Baker Hall Renovation		651,545	651,545	2,000,000	In Progress
Foundation Renovation	132,407	208,141	340,548	2,000,000	In Progress
Lawrence A. Bertolini Hall Modernization	388,982	261,263	650,245	1,500,000	In Progress
Frank P. Doyle Library Modernization	7,160	50,888	58,048	1,300,000	In Progress
Albert Maggini Hall Modernization				1,000,000	In Progress
Analy Hall Modernization				1,000,000	In Progress
Bernard C. Plover Hall Remodel	956,712	9,528	966,240	1,000,000	In Progress
Pioneer Hall Modernization		6,351	6,351	500,000	In Progress
Lounibos Remodel				200,000	
Ellsworth Barnett Hall Demolition and Parking Project Oversight	13,686		13,686	13,686	In Progress
Miscellaneous Projects Greater Than \$50,000 Per Project (see page 6)	2,187,306	1,345,188	3,532,494	4,000,000	See pg 6
Minor Projects Less Than \$50,000 Per Project	1,088,139	222,245	1,310,384	2,000,000	In Progress
<u>INFORMATION TECHNOLOGY</u>					
Instructional Computing	3,009,158	495,036	3,504,194	18,000,000	In Progress
Student Information System	106,138	5,686	111,824	11,500,000	In Progress
Media Services	2,977,722	512,624	3,490,346	8,500,000	In Progress
Faculty and Staff Computers	1,135,421	449,190	1,584,611	4,500,000	In Progress
Frank P. Doyle and Herold Mahoney Libraries	745,560		745,560	4,500,000	In Progress

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

**PERFORMANCE AUDIT
JUNE 30, 2021**

	<u>Previous Expenditures</u>	<u>2020-2021</u>	<u>Grand Total</u>	<u>Project Budget</u>	<u>Status of Project</u>
Network Infrastructure Equipment	1,705,036	1,852,885	3,557,921	4,000,000	In Progress
Network Upgrade	2,926,240	885,290	3,811,530	4,000,000	In Progress
Equipment for Student Services, Administration, Human Resources, Police	263,756	201,765	465,521	500,000	In Progress
<u>INFRASTRUCTURE, MAINTENANCE AND REPAIRS</u>					
Energy Conservation and Sustainability Projects (see page 6)	23,642,321	7,939,090	31,581,411	35,325,000	See next pg
Miscellaneous Maint/Repairs Greater Than \$50,000 Per Project (see page 6)	10,093,848	2,188,048	12,281,896	13,539,874	See next pg
Minor Maintenance and Repairs Less Than \$50,000 Per Project	1,137,699	66,430	1,204,129	2,500,000	
<u>HEALTH AND SAFETY IMPROVEMENTS</u>					
Access Control	2,103,709	2,544,811	4,648,520	9,000,000	In Progress
Americans with Disabilities Act (ADA) Compliance Contingencies / TBD	24,700		24,700	5,000,000	In Progress
	8,000,000				
TOTAL EXPENDITURES	<u>\$ 166,779,644</u>	<u>\$ 41,204,793</u>	<u>\$ 207,984,437</u>	<u>\$ 418,000,000</u>	

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PERFORMANCE AUDIT JUNE 30, 2021

	Previous Expenditures	2020-2021	Grand Total	Status of Project
EXPENDITURE DETAIL - MISCELLANEOUS PROJECTS AND REPAIRS				
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	201,016	\$ 115,295	316,311	In Progress
Bussman Maker Space	287,216		287,216	Complete
Button Building Remodel	257,847		257,847	Complete
Doyle Remodel	181,801	832,104	1,013,905	In Progress
Forsyth Remodel	234,426		234,426	Complete
Garcia Remodel	219,921		219,921	Complete
Lounibos Remodel	18,900		18,900	Complete
Maggini AV	231,230		231,230	Complete
Petaluma Recording Studio Remodel		38,446	38,446	Complete
Pioneer Remodel	257,018	359,343	616,361	Complete
Plover Remodel	40,264		40,264	Complete
TOTAL	\$ 2,187,306	\$ 1,345,188	\$ 3,532,494	
Miscellaneous Maint and Repairs Greater Than \$50,000 Per Project:				
Baker HVAC and Roof	\$ 1,675,617		\$ 1,675,617	Complete
Bech Lot Transformer Replacement	183,947		183,947	Complete
Burdo Boiler	15,760		15,760	Complete
Bussman Roof	297,770	\$ 3,640	301,410	Complete
Emeritus Cooling Tower	188,773		188,773	Complete
Facility Operations Building Roof	171,964	320,464	492,428	Complete
Groundwater Reclamation		26,317	26,317	In Progress
Haehl Flooring		97,720	97,720	Complete
Lounibos Roof	1,814,879		1,814,879	Complete
Maggini & Call Energy Control	851,247		851,247	In Progress
Maggini Water Intrusion and Roof	1,265,319		1,265,319	Complete
Pedroncelli Roof	40,645	407,858	448,503	Complete
Petaluma Chiller	56,502		56,502	Complete
Petaluma Roof - Building 300		52,803	52,803	Complete
Petaluma Server Room A/C	160,220		160,220	Complete
Pioneer Roof		536,651	536,651	Complete
Public Safety Training Center Pavement Rehabilitation	457,869		457,869	Complete
Public Safety Training Center Roof/HVAC	315,346	878	316,224	In Progress
Public Safety Training Center Water Intrusion	50,294		50,294	Complete
Retro Commissioning	612,652	20,944	633,596	Complete
Shone Farm Ag Pavilion Roof	1,076,928	142,226	1,219,154	Complete
Switchgear	51,395	578,547	629,942	Complete
Tauzer Roof	806,721		806,721	Complete
TOTAL	\$ 10,093,848	\$ 2,188,048	\$ 12,281,896	
Energy Conservation and Sustainability Projects:				
Photovoltaic	\$ 16,566,705	\$ 22,209	\$ 16,588,914	Complete
Cogeneration Plant Replacement	1,027,397	7,189,440	8,216,837	In Progress
Geothermal Burbank	4,735,556	149,499	4,885,055	Complete
Submetering	619,868	4,742	624,610	In Progress
LED Lighting	432,247	546,455	978,702	Complete
Electric Vehicle Charging Stations	230,690		230,690	Complete
Sustainability Equipment	29,858	26,745	56,603	Complete
TOTAL	\$ 23,642,321	\$ 7,939,090	\$ 31,581,411	

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

**PERFORMANCE AUDIT
JUNE 30, 2021**

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.