

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

SANTA ROSA, CALIFORNIA

**PERFORMANCE AUDIT
YEAR ENDED JUNE 30, 2022**

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

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JUNE 30, 2022**

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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, 2022.

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 findings and conclusions 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, 2022, 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**

November 8, 2022

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

PERFORMANCE AUDIT JUNE 30, 2022

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, 2022, 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, 2022. Expenditures incurred prior to July 1, 2021, 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, 2022 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

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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, 2022. 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, 2022, 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 57 projects. The District incurred total expenditures of \$271,582,854 through June 30, 2022, 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, 2022

	<u>Previous Expenditures</u>	<u>2021-2022</u>	<u>Grand Total</u>	<u>Project Budget</u>	<u>Status of Project</u>
EXPENDITURES					
Eligible Bond Program Costs	\$ 6,652,895	\$ 1,397,567	\$ 8,050,462	\$ 10,309,440	In Progress
Program Planning and Project Development	6,327,816	508,435	6,836,251	6,000,000	In Progress
<u>EXPANSION AND NEW CONSTRUCTION</u>					
W. Terry Lindley Center for Science, Technology, Engineering and Math (STEM)	6,453,676	7,909,317	14,362,993	62,877,000	In Progress
Jeff Kunde Hall	25,180,158	991	25,181,149	25,500,000	Complete
Santa Rosa Southwest Center Modular Buildings	146,680	5,344,871	5,491,551	11,000,000	In Progress
Petaluma Campus Science Laboratory	7,760,057	8,243	7,768,300	8,600,000	In Progress
Property Acquisition	2,343,207	678,190	3,021,397	6,800,000	In Progress
Swing Space	5,207,156	52,691	5,259,847	6,025,000	In Progress
Shone Farm Various Upgrades	2,990,179	2,921,056	5,911,235	4,750,000	In Progress
Public Safety Training Center Advanced Labs and Classrooms	32,289	18,098	50,387	4,000,000	In Progress
Parking and Traffic Improvements	1,271,346	1,060,187	2,331,533	4,000,000	In Progress
Facility and Site Demolition	942,478	29,775	972,253	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	36,760,158	124,325	36,884,483	38,000,000	In Progress
KAD Renovations (Track, Pool, Fieldturf, Quinn & Heahl)	15,236,318	18,320,091	33,556,409	34,000,000	In Progress
C. J. Tauzer Gym Renovation / Health, PE & Wellness Center	392,820	708,317	1,101,137	16,000,000	In Progress
Emeritus Hall Renovation		95,930	95,930	9,500,000	In Progress
Petaluma Campus Student Services and Food Service	5,843,542	525,281	6,368,823	8,300,000	In Progress
Public Safety Training Center Modernization	6,964,949	44,018	7,008,967	7,200,000	In Progress
A. M. Garcia Hall Renovation	866,880	4,255,257	5,122,137	5,000,000	In Progress
Peter W. Bussman Hall Modernization	1,192,453	311,511	1,503,964	2,500,000	In Progress
Milo Baker Hall Renovation	651,545	1,384,377	2,035,922	2,000,000	In Progress
Foundation Renovation	340,548	1,184,399	1,524,947	2,000,000	In Progress
Lawrence A. Bertolini Hall Modernization	650,245	820,341	1,470,586	1,500,000	In Progress
Frank P. Doyle Library Modernization	58,048		58,048	1,300,000	In Progress
Albert Maggini Hall Modernization		1,400	1,400	1,000,000	In Progress
Analy Hall Modernization				1,000,000	In Progress
Bernard C. Plover Hall Remodel	966,240	1,889	968,129	1,000,000	In Progress
Pioneer Hall Modernization	6,351	39,628	45,979	500,000	In Progress
Lounibos Remodel		51,167	51,167	200,000	In Progress
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)	3,532,494	98,313	3,630,807	4,000,000	See pg 6
Minor Projects Less Than \$50,000 Per Project	1,310,384	345,949	1,656,333	2,000,000	In Progress
<u>INFORMATION TECHNOLOGY</u>					
Instructional Computing	3,504,194	765,502	4,269,696	18,000,000	In Progress
Student Information System	111,824	55,190	167,014	11,500,000	In Progress
Media Services	3,490,346	828,188	4,318,534	8,500,000	In Progress
Faculty and Staff Computers	1,584,611	513,812	2,098,423	4,500,000	In Progress

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	<u>Previous Expenditures</u>	<u>2021-2022</u>	<u>Grand Total</u>	<u>Project Budget</u>	<u>Status of Project</u>
Frank P. Doyle and Herold Mahoney Libraries	745,560	423,363	1,168,923	4,500,000	In Progress
Network Infrastructure Equipment	3,557,921	95,489	3,653,410	4,000,000	In Progress
Network Upgrade	3,811,530	84,906	3,896,436	4,000,000	In Progress
Equipment for Student Services, Administration, Human Resources, Police	465,521	38,488	504,009	500,000	In Progress
<u>INFRASTRUCTURE, MAINTENANCE AND REPAIRS</u>					
Energy Conservation and Sustainability Projects (see page 6)	31,581,411	5,468,658	37,050,069	35,325,000	See next pg
Miscellaneous Maint/Repairs Greater Than \$50,000 Per Project (see page 6)	12,281,896	2,023,077	14,304,973	13,539,874	See next pg
Minor Maintenance and Repairs Less Than \$50,000 Per Project	1,204,129	313,630	1,517,759	2,500,000	In Progress
<u>HEALTH AND SAFETY IMPROVEMENTS</u>					
Access Control	4,648,520	4,744,900	9,393,420	9,000,000	In Progress
Americans with Disabilities Act (ADA) Compliance Contingencies / TBD	24,700	1,600	26,300	5,000,000	In Progress
	<u>8,000,000</u>				
TOTAL EXPENDITURES	<u>\$ 207,984,437</u>	<u>\$ 63,598,417</u>	<u>\$ 271,582,854</u>	<u>\$ 418,000,000</u>	

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	<u>Previous Expenditures</u>	<u>2021-2022</u>	<u>Grand Total</u>	<u>Status of Project</u>
EXPENDITURE DETAIL - MISCELLANEOUS PROJECTS AND REPAIRS				
Miscellaneous Projects Greater Than \$50,000 Per Project:				
Bailey Hall Remodel	\$ 243,142	\$ 27,099	\$ 270,241	Complete
Bailey Kiosk (Food Pantry)	14,525		14,525	Complete
Bussman Data Center Renovation	316,311	25,473	341,784	In Progress
Bussman Maker Space	287,216		287,216	Complete
Button Building Remodel	257,847		257,847	Complete
Doyle Remodel	1,013,905		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 General Ed Classrooms		15,605	15,605	In Progress
Petaluma Recording Studio Remodel	38,446	405	38,851	Complete
Pioneer Remodel	616,361	29,731	646,092	Complete
Plover Remodel	40,264		40,264	Complete
TOTAL	<u>\$ 3,532,494</u>	<u>\$ 98,313</u>	<u>\$ 3,630,807</u>	
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	301,410		301,410	Complete
Emeritus Cooling Tower	188,773		188,773	Complete
Facility Operations Building Roof	492,428	\$ 168,800	661,228	Complete
Groundwater Reclamation	26,317	37,036	63,353	In Progress
Haehl Flooring	97,720		97,720	Complete
Lounibos Mech. Construction		530,499	530,499	In Progress
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	448,503	(38,112)	410,391	Complete
Petaluma Chiller	56,502	1,303,806	1,360,308	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	316,224	(3,515)	312,709	In Progress
Public Safety Training Center Water Intrusion	50,294	2,126	52,420	Complete
Retro Commissioning	633,596		633,596	Complete
Shone Farm Ag Pavilion Roof	1,219,154	(883)	1,218,271	Complete
Switchgear	629,942	27,826	657,768	Complete
Tauzer Roof	806,721	(4,506)	802,215	Complete
TOTAL	<u>\$ 12,281,896</u>	<u>\$ 2,023,077</u>	<u>\$ 14,304,973</u>	
Energy Conservation and Sustainability Projects:				
Photovoltaic	\$ 16,588,914	\$ 104,013	\$ 16,692,927	Complete
Cogeneration Plant Replacement	8,216,837	5,285,704	13,502,541	In Progress
Geothermal Burbank	4,885,055		4,885,055	Complete
Submetering	624,610	87	624,697	In Progress
LED Lighting	978,702	78,854	1,057,556	Complete
Electric Vehicle Charging Stations	230,690		230,690	Complete
Sustainability Equipment	56,603		56,603	Complete
TOTAL	<u>\$ 31,581,411</u>	<u>\$ 5,468,658</u>	<u>\$ 37,050,069</u>	

**SONOMA COUNTY JUNIOR COLLEGE DISTRICT PROPOSITION 39
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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.