

**CONTRA COSTA  
COMMUNITY  
COLLEGE DISTRICT**

**CAPITAL OUTLAY –  
BOND FUND 2006 ELECTION  
FINANCIAL REPORT**

**JUNE 30, 2008**

**CONTRA COSTA COMMUNITY COLLEGE DISTRICT**

**CAPITAL OUTLAY – BOND FUND 2006 ELECTION**

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**JUNE 30, 2008**

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## INDEPENDENT AUDITORS' REPORT

Measure A Citizens' Oversight Committee  
And Governing Board  
Contra Costa Community College District  
Martinez, California

We have audited the accompanying financial statements of the capital outlay - bond fund 2006 election of the Contra Costa Community College District, as of and for the year ended June 30, 2008, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the financial statements present only the capital outlay - bond fund 2006 election and are not intended to present fairly the financial position and results of operations of the Contra Costa Community College District in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the capital outlay - bond fund 2006 election of the Contra Costa Community College District at June 30, 2008, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Vavrinek, Trine, Day & Co LLP*

Pleasanton, California  
January 30, 2009

**CONTRA COSTA COMMUNITY COLLEGE DISTRICT**

**CAPITAL OUTLAY - BOND FUND - 2006 ELECTION**

**BALANCE SHEET**

**JUNE 30, 2008**

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**ASSETS**

Investments	\$ 54,534,270
Accounts receivable	388,949
Total Assets	<u>\$ 54,923,219</u>

**LIABILITIES AND FUND EQUITY**

**LIABILITIES**

Accounts payable	\$ 249,941
Due to other funds	9,247,388
Total Liabilities	<u>9,497,329</u>

**FUND EQUITY**

Fund balances	<u>45,425,890</u>
Total Liabilities and Fund Equity	<u>\$ 54,923,219</u>

The accompanying notes are an integral part of these financial statements.

**CONTRA COSTA COMMUNITY COLLEGE DISTRICT**

**CAPITAL OUTLAY – BOND FUND – 2006 ELECTION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2008**

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REVENUES

Interest and investment earnings	\$ 1,831,007
Local revenue	<u>7,151,002</u>
Total Revenues	<u>8,982,009</u>

EXPENDITURES

Current

Payroll and benefits	320,042
Services and operating expenditures	89,619
Capital outlay	<u>21,187,641</u>
Total Expenditures	<u>21,597,302</u>

EXCESS OF REVENUES OVER/  
(UNDER) EXPENDITURES

(12,615,293)

OTHER FINANCING SOURCES/(USES)

Proceeds from the sale of bonds	73,000,000
Operating transfers out	<u>(14,958,817)</u>
Total Other Financing Sources (Uses)	<u>58,041,183</u>

EXCESS OF REVENUES AND OTHER  
FINANCING SOURCES OVER/(UNDER)  
EXPENDITURES AND OTHER USES

45,425,890

FUND BALANCE, BEGINNING OF YEAR

-

FUND BALANCE, END OF YEAR

\$ 45,425,890

The accompanying notes are an integral part of these financial statements.

# CONTRA COSTA COMMUNITY COLLEGE DISTRICT

## CAPITAL OUTLAY – BOND FUND 2006 ELECTION

### NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

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#### *NOTE #1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

The accounting policies of the Contra Costa Community College District Capital Outlay - Bond Fund 2006 Election conforms to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants. The Contra Costa Community College District capital outlay - bond fund 2006 election accounts for financial transactions in accordance with the policies and procedures of the California College Budget and Accounting Manual.

#### **Financial Reporting Entity**

These financial statements were prepared to comply with the requirements of proposition 39 related to the 55% voter approval requirements for bond issues and include only the Capital Outlay - Bond Fund 2006 election established to account for the expenditures of the general obligation bonds approved March 6, 2006. These financial statements are not intended to present fairly the complete financial position and results of operations of the Contra Costa Community College District in conformity with generally accepted accounting principles.

#### **Fund Accounting**

The District accounts for the capital outlay – bond fund 2006 election in a fund, which is considered to be a separate accounting entity from all other funds of the District. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures, as appropriate. District resources are allocated to and accounted for in individual governmental funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

#### **Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

Governmental funds are generally accounted for using the modified accrual basis of accounting. Their revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the accounting period in which the liability is incurred (when goods are received or services rendered), except for unmatured interest on general long-term debt, which is recognized when due.

#### **Encumbrances**

The District utilizes an encumbrance accounting system under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are liquidated when the commitments are paid and all outstanding encumbrances are liquidated at June 30 since they do not constitute expenditures or liabilities.

# CONTRA COSTA COMMUNITY COLLEGE DISTRICT

## CAPITAL OUTLAY – BOND FUND 2006 ELECTION NOTES TO FINANCIAL STATEMENTS JUNE 30, 2008

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### Fund Balance Reserves and Designations

Reservations of the ending fund balance indicate the portions of fund balance not available for appropriation or amounts legally segregated for a specific future use. Designations of the ending fund balance indicate tentative plans for financial resource utilization in a future period.

### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

### NOTE #2 – INVESTMENTS

**Investments Authorized Under Debt Agreements** - The debt agreement limits investments to the Contra Costa County Investment Pool. The Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

**Interest Rate Risk** - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

	Reported Amount	Fair Value
Deposits with LAIF	\$ 54,534,270	\$ 54,531,555

**Credit Risk** - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measure by the assignment of a rating by a nationally recognized statistical rating organization. The Capital Outlay Bond Fund only invests in Local Agency Investment Funds which are not required to be rated.

**Custodial Credit Risk – Deposits** - This is the risk that in the event of a bank failure, the Capital Outlay Bond Fund or District's deposits may not be returned to it. The Capital Outlay Bond Fund does not have any deposits subject to custodial credit risk.

**CONTRA COSTA COMMUNITY COLLEGE DISTRICT**

**CAPITAL OUTLAY – BOND FUND 2006 ELECTION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

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*NOTE #3 – ACCOUNTS RECEIVABLE*

Accounts receivable at June 30, 2008, consists of the following:

Interest	<u><u>\$ 388,949</u></u>
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*NOTE #4 – ACCOUNTS PAYABLE*

Accounts payable at June 30, 2008, consists of the following:

Vendor payables	<u><u>\$ 249,941</u></u>
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*NOTE #5 – DUE TO AND TRANSFERS WITH OTHER FUNDS*

Due to 2002 General Obligation Bond fund for expenditures paid from bond fund prior to separating into a 2002 and a 2006 bond fund	<u><u>\$ 9,247,388</u></u>
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Transfer out to 2002 General Obligation bond to separate two bonds into separate funds	<u><u>\$ 14,958,817</u></u>
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*NOTE #6 – FUND BALANCES*

Fund balance is composed of the following elements:

Unreserved Undesignated	<u><u>\$ 45,425,890</u></u>
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**CONTRA COSTA COMMUNITY COLLEGE DISTRICT**

**CAPITAL OUTLAY – BOND FUND 2006 ELECTION**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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*NOTE #7 – COMMITMENTS AND CONTINGENCIES*

As of June 30, 2008, the building fund had the following commitments with respect to unfinished capital projects:

<b>Description</b>	<b>Amount</b>
<b>Diablo Valley</b>	
Master Plan	\$ 166,908
Athletic Fields	2,212,937
Parking Lot Paving	185,282
Quad	75,200
<b>Los Medanos</b>	
Master Plan	68,791
Athletic Fields	62,693
Parking Lot Paving	192,676
<b>Contra Costa</b>	
Master Plan	94,999
Athletic Fields	103,101
PE Education Annex Renovation	9,985
<b>District</b>	
Solar Panels and Energy Measures	2,516,152
IT Infrastructure	231,621
District ADA	132,276
<b>TOTAL</b>	<b>\$ 6,052,621</b>

**CONTRA COSTA  
COMMUNITY  
COLLEGE DISTRICT**

**CAPITAL OUTLAY –  
BOND FUND 2006 ELECTION  
PERFORMANCE REPORT**

**JUNE 30, 2008**



**INDEPENDENT ACCOUNTANTS' REPORT ON  
 APPLYING AGREED-UPON PROCEDURES**

Measure A Citizens' Oversight Committee  
 And Governing Board  
 Contra Costa Community College District  
 Martinez, California

We have performed the agreed-upon procedures listed below, which were agreed to by the management of the Contra Costa Community College District and the Measure A Citizen's Oversight Committee, solely to review at least 25% of the expenditures of the 2006 General Obligation Bond funds for the period of July 1, 2007 through June 30, 2008, for the purpose of verifying if the use of the funds is within the scope of the published materials specifying the intended use of bond funds. We used election documents, and District resolutions, as guidance for the intended use of the funds. For any expenditures in question, we recommended that the District obtain the opinion of legal counsel and we informed this committee as to the issues. Management is responsible for Contra Costa Community College District's compliance with those requirements. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and is intended to meet the compliance requirements as outlined in subparagraph (c) of paragraph (3) of subdivision (b) of section 1 of Article XIII of the California Constitution. The sufficiency of these procedures is solely the responsibility of those specified parties in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below for either the purpose for which this report has been requested or for any other purpose.

*Financial Summary*

1. The 2006 general obligation bond funds in the amount of \$286,500,000 were authorized at an election of the registered voters of the District held on March 6, 2006. The first series of the 2006 bonds was issued in August 2007, and in the principal amount of \$73,000,000.
2. Total expenditures and encumbrances through June 30, 2008, were \$42,608,740 and are summarized as follows:

Expenditures	
Salary and benefits	\$ 320,042
Services and operating expenses	89,619
Capital outlay	21,187,641
Total expenditures	<u>21,597,302</u>
Transfer out to Measure A Fund	14,958,817
Total expenditures and other uses	<u>36,556,119</u>
Contract commitments, June 30, 2008	6,052,621
Total expenditures and commitments	<u><u>\$ 42,608,740</u></u>

	<u>Total</u>
Net available proceeds for construction	\$ 73,000,000
Local revenue	7,151,002
Interest earned	1,831,007
Total revenues received	<u>81,982,009</u>
Total expenditures and commitments	(42,608,740)
Amount available	<u><u>\$ 39,373,269</u></u>

*Agreed Upon Procedures Performed*

1. Verify that the expenditure of funds was accounted for separately in the accounting records to allow for accountability.
2. Verify that the net funds from the sale of the General Obligation Bonds were deposited in total into the District's accounts by obtaining settlement statement for the new bond issue and verifying amounts deposited into the building and bond interest and redemption funds.
3. Select 25% of the expenditures and verify that the funds expended complied with the purpose that was specified to the registered voters of the District through election materials, and district resolutions. See supplemental information for list of expenditures reviewed.
4. Verify that the State and District policies were followed in the awarding of bids and expenditure of the funds.

*Results of Procedures*

1. The general obligations bond fund expenditures were accounted for separately in the capital outlay - bond fund of the District.
2. The net proceeds from the sale of the general obligation bonds during the year were deposited into the capital outlay - bond fund.
3. Our review of the expenditures for the period July 1, 2007, through June 30, 2008, did not reveal any items that were paid from the general obligation bond funds that did not comply with the purpose of the Bonds as approved by the registered voters of the District on March 6, 2006. We did not request that management of the District consult with legal counsel on any expenditure during the current period.
4. Our review of the policies over awarding of contracts revealed no exceptions to the policies of the District or the requirements of the State as they relate to awarding of contracts. Our review of the District policies over disbursement of funds revealed no exceptions to the disbursement policies of the District.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Contra Costa Community College District and the Measure A Citizen's Fiscal Oversight Committee and is not intended to be and should not be used by anyone other than those specified parties.

*Vavinek, Tine, Day & Co LLP*

Pleasanton, California  
January 30, 2009

CONTRA COSTA COMMUNITY COLLEGE

BOND FUND, 2006 ELECTION

INVOICES SELECTED

FOR THE YEAR ENDED JUNE 30, 2008

Date	Warrant #	Payee	Project	Amount
08/21/07	359725	Chevon Energy Solutions LP	Construct & install the lighting, major equipment and paving for all 3 college campuses	\$ 2,161,678
09/27/07	365367	Chevon Energy Solutions LP	Construct & install the lighting, major equipment and paving for all 3 college campuses	1,295,801
12/12/07	371546	Chevon Energy Solutions LP	Construct & install the lighting, major equipment and paving for all 3 college campuses	2,005,961
08/21/07	359725	Chevon Energy Solutions LP	Construct & install the lighting, major equipment and paving for all 3 college campuses	309,456
09/27/07	365367	Chevon Energy Solutions LP	Construct & install the lighting, major equipment and paving for all 3 college campuses	127,463
12/12/07	371546	Chevon Energy Solutions LP	Construct & install the lighting, major equipment and paving for all 3 college campuses	30,600
08/21/07	359725	Chevon Energy Solutions LP	Construct & install the lighting, major equipment and paving for all 3 college campuses	78,480
09/27/07	365367	Chevon Energy Solutions LP	Construct & install the lighting, major equipment and paving for all 3 college campuses	2,700
Total tested				6,012,139
Total expenditures				21,597,302
Percent tested				27.8%

**CONTRA COSTA  
COMMUNITY  
COLLEGE DISTRICT**

**CAPITAL OUTLAY –  
BOND FUND 2002 ELECTION  
FINANCIAL REPORT**

**JUNE 30, 2008**

**CONTRA COSTA COMMUNITY COLLEGE DISTRICT**

**CAPITAL OUTLAY – BOND FUND 2002 ELECTION**

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Vavrinek, Trine, Day & Co., LLP

Certified Public Accountants

VALUE THE DIFFERENCE

## INDEPENDENT AUDITORS' REPORT

Governing Board and  
Measure A Citizens' Oversight Committee  
Contra Costa Community College District  
Martinez, California

We have audited the accompanying financial statements of the capital outlay - bond fund 2002 election of the Contra Costa Community College District, as of and for the year ended June 30, 2008, as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the financial statements present only the capital outlay - bond fund 2002 election and are not intended to present fairly the financial position and results of operations of the Contra Costa Community College District in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the capital outlay - bond fund 2002 election of the Contra Costa Community College District at June 30, 2008, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*Vavrinek, Trine, Day & Co LLP*

Pleasanton, California  
January 30, 2009

# CONTRA COSTA COMMUNITY COLLEGE DISTRICT

## CAPITAL OUTLAY - BOND FUND 2002 ELECTION

### BALANCE SHEET

JUNE 30, 2008

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#### ASSETS

Investments	\$ 12,596,354
Interest receivable	136,206
Due from other funds	9,524,741
Other assets	1,297,161
Total Assets	<u>\$ 23,554,462</u>

#### LIABILITIES AND FUND EQUITY

##### LIABILITIES

Accounts payable	\$ 2,032,410
Due to other funds	121,240
Total Liabilities	<u>2,153,650</u>

##### FUND EQUITY

Fund balances	<u>21,400,812</u>
Total Fund Equity	<u>21,400,812</u>
Total Liabilities and Fund Equity	<u>\$ 23,554,462</u>

The accompanying notes are an integral part of these financial statements.

**CONTRA COSTA COMMUNITY COLLEGE DISTRICT**

**CAPITAL OUTLAY – BOND FUND 2002 ELECTION  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2008**

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<b>REVENUES</b>	
Interest income	\$ 987,413
Local revenue	3,600
Total Revenues	<u>991,013</u>
<b>EXPENDITURES</b>	
Current	
Payroll and benefits	30,334
Services and operating expenditures	402,116
Capital outlay	13,486,211
Total Expenditures	<u>13,918,661</u>
EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES	<u>(12,927,648)</u>
OTHER FINANCING SOURCES/(USES)	
Operating transfers in	14,958,817
Total Other Financing Sources (Uses)	<u>14,958,817</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER/(UNDER) EXPENDITURES AND OTHER USES	2,031,169
FUND BALANCE, BEGINNING OF YEAR	<u>19,369,643</u>
FUND BALANCE, END OF YEAR	<u>\$ 21,400,812</u>

The accompanying notes are an integral part of these financial statements.

# CONTRA COSTA COMMUNITY COLLEGE DISTRICT

## CAPITAL OUTLAY – BOND FUND 2002 ELECTION NOTES TO FINANCIAL STATEMENTS JUNE 30, 2008

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### *NOTE #1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

The accounting policies of the Contra Costa Community College District Capital Outlay - Bond Fund 2002 Election conforms to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants. The Contra Costa Community College District Capital Outlay - Bond Fund 2002 election accounts for financial transactions in accordance with the policies and procedures of the California College Budget and Accounting Manual.

#### **Financial Reporting Entity**

These financial statements were prepared to comply with the requirements of proposition 39 related to the 55% voter approval requirements for bond issues and include only the Capital Outlay - Bond Fund 2002 election established to account for the expenditures of the general obligation bonds approved in March 5, 2002. These financial statements are not intended to present fairly the complete financial position and results of operations of the Contra Costa Community College District in conformity with generally accepted accounting principles.

#### **Fund Accounting**

The District accounts for the Capital Outlay – Bond Fund 2002 election in a fund, which is considered to be a separate accounting entity from all other funds of the District. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures, as appropriate. District resources are allocated to and accounted for in individual governmental funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

#### **Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

Governmental funds are generally accounted for using the modified accrual basis of accounting. Their revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current fiscal period. Expenditures are recognized in the accounting period in which the liability is incurred (when goods are received or services rendered), except for unmatured interest on general long-term debt, which is recognized when due.

#### **Encumbrances**

The District utilizes an encumbrance accounting system under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are liquidated when the commitments are paid and all outstanding encumbrances are liquidated at June 30 since they do not constitute expenditures or liabilities.

# CONTRA COSTA COMMUNITY COLLEGE DISTRICT

## CAPITAL OUTLAY – BOND FUND 2002 ELECTION NOTES TO FINANCIAL STATEMENTS JUNE 30, 2008

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### **Fund Balance Reserves and Designations**

Reservations of the ending fund balance indicate the portions of fund balance not available for appropriation or amounts legally segregated for a specific future use. Designations of the ending fund balance indicate tentative plans for financial resource utilization in a future period.

### **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

### *NOTE #2 – INVESTMENTS*

**Investment in County Treasury** - The Capital Outlay Bond Fund of the District are considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (Education Code Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statements at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

**Interest Rate Risk** - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Capital Outlay Bond Fund and the District manages exposure to interest rate risk by depositing substantially all of its funds in the County Treasury Pool. The fair value of deposits at the County Treasury at June 30, 2008 was \$12,638,458 and the weighted average maturity of the pool is less than one year.

**Credit Risk** - Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measure by the assignment of a rating by a nationally recognized statistical rating organization. The Capital Outlay Bond Fund only invests in County Pooled Investment Funds which are not required to be rated.

**Custodial Credit Risk – Deposits** - This is the risk that in the event of a bank failure, the Capital Outlay Bond Fund or District's deposits may not be returned to it. The Capital Outlay Bond Fund does not have any deposits subject to custodial credit risk.

**CONTRA COSTA COMMUNITY COLLEGE DISTRICT**

**CAPITAL OUTLAY – BOND FUND 2002 ELECTION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2008**

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*NOTE #3 – ACCOUNTS RECEIVABLE*

Accounts receivable at June 30, 2008, consists of the following:

Interest	<u>\$ 136,206</u>
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*NOTE #4 – INTERFUND TRANSACTIONS*

Interfund receivables/payables (Due To/Due From)

Due from 2006 General Obligation Bond fund for expenditures paid from bond fund prior to separating into a 2002 and a 2006 bond fund	<u>\$ 9,524,741</u>
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Due to Capital Projects fund for expenditure reimbursements	<u>\$ 121,240</u>
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Transfer in from 2006 General Obligation bond to separate two bonds into separate funds	<u>\$ 14,958,817</u>
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*NOTE #5 – ACCOUNTS PAYABLE*

Accounts payable at June 30, 2008, consists of the following:

Vendor payables	\$ 735,249
Construction retention	1,297,161
Total accounts payable	<u>\$ 2,032,410</u>

*NOTE #6 – FUND BALANCES*

Fund balance is composed of the following elements:

Unreserved Undesignated	<u>\$ 21,400,812</u>
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**CONTRA COSTA COMMUNITY COLLEGE DISTRICT**

**CAPITAL OUTLAY – BOND FUND 2002 ELECTION**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2008**

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*NOTE #7 – COMMITMENTS AND CONTINGENCIES*

As of June 30, 2008, the 2002 capital outlay fund had the following commitments with respect to unfinished capital projects:

<u>Description</u>	<u>Amount</u>
<b>Diablo Valley</b>	
Planetarium	\$ 175,405
San Ramon Valley Center Site	120,194
Advanced Technology Upgrade	3,517
<b>Los Medanos</b>	
Learning Resource Center	7,025
Science Building	802,003
Core Building Remodel	2,344,800
New Quad Area	31,524
Art Area Remodel	181,282
<b>Contra Costa</b>	
Remodel Library Building	517,091
ADA Path of Travel 2	79,532
Smart Classrooms	2,771
<b>TOTAL</b>	<u><u>\$ 4,265,144</u></u>

**CONTRA COSTA  
COMMUNITY  
COLLEGE DISTRICT**

**CAPITAL OUTLAY –  
BOND FUND 2002 ELECTION  
PERFORMANCE REPORT**

**JUNE 30, 2008**





INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Measure A Citizens' Oversight Committee And Governing Board Contra Costa Community College District Martinez, California

We have performed the agreed-upon procedures listed below, which were agreed to by the management of the Contra Costa Community College District and the Measure A Citizen's Oversight Committee, solely to review at least 25% of the expenditures of the 2002 General Obligation Bond funds for the period of July 1, 2007 through June 30, 2008, for the purpose of verifying if the use of the funds is within the scope of the published materials specifying the intended use of bond funds. We used election documents, and District resolutions, as guidance for the intended use of the funds. For any expenditures in question, we recommended that the District obtain the opinion of legal counsel and we informed this committee as to the issues. Management is responsible for Contra Costa Community College District's compliance with those requirements. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and is intended to meet the compliance requirements as outlined in subparagraph (c) of paragraph (3) of subdivision (b) of section 1 of Article XIII of the California Constitution. The sufficiency of these procedures is solely the responsibility of those specified parties in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below for either the purpose for which this report has been requested or for any other purpose.

Financial Summary

- 1. The 2002 general obligation bond funds in the amount of \$120,000,000 were authorized at an election of the registered voters of the District held on March 5, 2002. The first series of the 2002 bonds was issued in July 2002 and in the principal amount of \$50,000,000. The second series of the 2002 bonds was issued in August 2004 and in the principal amount of \$45,000,000. The third series of the 2002 bonds was issued in May 2006 and in the principal amount of 25,000,000.
2. Total expenditures and encumbrances through June 30, 2008, were \$125,583,523 and are summarized as follows:

Table with 4 columns: Expenditures, Prior Periods, 7/1/07 to 6/30/2008, Total. Rows include Salary and benefits, Services and operating expenses, Capital outlay, Total expenditures and other uses, Contract commitments, June 30, 2008, and Total expenditures and commitments.

	Prior Periods	7/1/07 to 6/30/2008	Total
Net available proceeds for construction	\$ 120,000,000	\$ -	\$ 120,000,000
Transfer in from Measure A+	-	14,958,817	14,958,817
Local revenue	-	3,600	3,600
Interest earned	6,769,361	987,413	7,756,774
Total revenues received	<u>\$ 126,769,361</u>	<u>\$ 15,949,830</u>	142,719,191
Total expenditures and commitments			(125,583,523)
Amount available			<u>\$ 17,135,668</u>

*Agreed Upon Procedures Performed*

1. Verify that the expenditure of funds was accounted for separately in the accounting records to allow for accountability.
2. Verify that the net funds from the sale of the General Obligation Bonds were deposited in total into the District's accounts by obtaining settlement statement for the new bond issue and verifying amounts deposited into the building and bond interest and redemption funds.
3. Select 25% of the expenditures and verify that the funds expended complied with the purpose that was specified to the registered voters of the District through election materials, and district resolutions. See supplemental information for list of expenditures reviewed.
4. Verify that the State and District policies were followed in the awarding of bids and expenditure of the funds.

*Results of Procedures*

1. The general obligations bond fund expenditures were accounted for separately in the capital outlay - bond fund of the District.
2. There were no proceeds from the sale of general obligation bonds during the year.
3. Our review of the expenditures for the period July 1, 2007, through June 30, 2008, did not reveal any items that were paid from the general obligation bond funds that did not comply with the purpose of the Bonds as approved by the registered voters of the District on March 5, 2002. We did not request that management of the District consult with legal counsel on any expenditure during the current period.
4. Our review of the policies over awarding of contracts revealed no exceptions to the policies of the District or the requirements of the State as they relate to awarding of contracts. Our review of the District policies over disbursement of funds revealed no exceptions to the disbursement policies of the District.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Contra Costa Community College District and the Measure A Citizen's Fiscal Oversight Committee and is not intended to be and should not be used by anyone other than those specified parties.

*Vavrinek, Trine, Day & Co LLP*

Pleasanton, California  
January 30, 2009

**CONTRA COSTA COMMUNITY COLLEGE**

**BOND FUND, 2002 ELECTION  
INVOICES SELECTED  
FOR THE YEAR ENDED JUNE 30, 2008**

Date	Warrant #	Payee	Project	Amount
8/2/2007	358886	SJ Amoroso Construction Co., Inc.	Los Medanos College Science Building	\$ 458,810
8/7/2007	359086	SJ Amoroso Construction Co., Inc.	Los Medanos College Science Building	314,862
8/21/2007	359827	SJ Amoroso Construction Co., Inc.	Los Medanos College Science Building	416,759
8/21/2007	359828	SJ Amoroso Construction Co., Inc.	Los Medanos College Site Improvements	455,546
9/25/2007	365136	SJ Amoroso Construction Co., Inc.	Los Medanos College Site Improvements	281,068
9/25/2007	365137	SJ Amoroso Construction Co., Inc.	Los Medanos College Science Building	442,136
10/30/2007	368188	SJ Amoroso Construction Co., Inc.	Los Medanos College Science Building	189,559
10/30/2007	368189	SJ Amoroso Construction Co., Inc.	Los Medanos College Site Improvements	342,857
12/4/2007	371084	SJ Amoroso Construction Co., Inc.	Los Medanos College Site Improvements	460,409
11/20/2007	369537	SJ Amoroso Construction Co., Inc.	Los Medanos College Site Improvements	218,006
12/18/2007	372289	SJ Amoroso Construction Co., Inc.	Los Medanos College Science Building	997,320
1/22/2008	373705	SJ Amoroso Construction Co., Inc.	Los Medanos College Site Improvements	395,567
2/21/2008	377443	SJ Amoroso Construction Co., Inc.	Los Medanos College Site Improvements	347,898
3/20/2008	379796	SJ Amoroso Construction Co., Inc.	Los Medanos College Site Improvements	697,979
4/17/2008	381667	SJ Amoroso Construction Co., Inc.	Los Medanos College Site Improvements	165,340
7/31/2008	390912	SJ Amoroso Construction Co., Inc.	Los Medanos College Site Improvements	174,454
6/17/2008	385723	Parson Brinckerhoff Construction Services	Construction Management at Contra Costa College -M. Rebholz	16,073
11/15/2007	369172	Gilbert & Associates	Annual audit services - Bond Construction Fund 6/30/07	10,000
7/10/2008	388341	HLC Associates	Project Management Services-DVC campus-5/5/08 thru 6/30/08	17,710
7/31/2007	358723	Procurement Services Associates	Professional Construction Project-Architect-7/8/07	2,075
2/5/2008	376470	Parson Brinckerhoff Construction Services	Program Support from Construction Management	14,260
6/17/2008	385722	Parson Brinckerhoff Construction Services	Program Management Support - R Rich.	15,266
6/17/2008	385724	Parson Brinckerhoff Construction Services	Program Management Support - A. Kroll	14,440
6/17/2008	385450	Appleone Employment Services	Consulting fees for construction services	930
7/1/2008	387539	Procurement Services Associates	Professional Construction Project-Architect-6/8/08	3,132
12/11/2007	371520	Star Media Consultants LLC	Furnish & install audiovisual system for Community Conference Center	66,761
8/24/2007	359985	Star Media Consultants LLC	Provide material & labor to install audio visual projection system for 2 classrooms in CCC library	13,977
8/2/2007	358843	M & M Project Inspection, Inc.	Provide inspection services for CCC new student services building	10,920
9/20/2007	364831	McCrary Construction Company	Constructon for CCC new student services building	167,187
9/18/2007	364622	McCrary Construction Company	Constructon for CCC new student services building	258,259
10/25/2007	367805	McCrary Construction Company	Constructon for CCC new student services building	640,847
Total tested				7,610,408
Total expenditures				13,918,661
Percent tested				54.7%