Gavilan Joint Community College District
Governing Board Agenda

January 11, 2011

Consent Agenda Item No.  
Information/Staff Reports No.  
Discussion Item No.  
Old Business Agenda Item No.  
New Business Agenda Item No.  2.(d)

SUBJECT: FY 2009 - 2010 District and Measure E Bond Audit Reports

☐ Resolution: BE IT RESOLVED,
☐ Information Only
☒ Action Item

Proposal:
That the Board of Trustees accept the FY 2009 - 2010 District and Measure E Bond Audit Reports.

Background:
The certified public accounting firm of Perry-Smith LLP has completed the Annual District Audit (1 Report with a separately attached letter to the Board of Trustees) and Measure E Bond Performance Audit (1 Report) and Measure E Financial Audit (1 Report). These reports are attached for board review. Copies of the reports are available upon request and/or can be found at www.gavilan.edu under the tab “About Gavilan”, “Budget Information”. The financial statements are the responsibility of the district’s management. The auditor’s responsibility is to express opinions on the financial statements based on their audit.

District Audit Report
It is the opinion of our auditors that the financial statements “present fairly, in all material respects, the net assets of the business-type activities of Gavilan Joint Community College District as of June 30, 2010, and the results of its operations, changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America”.

There were no management comments or findings representing reportable conditions, material weaknesses, or instances of noncompliance related to the audit.

Measure E Bond Performance and Financial Audit Reports
Gavilan’s Measure E Bond is a Proposition 39 bond. Proposition 39 requires that an annual comprehensive performance audit and financial audit be conducted. The Measure E Bond Audit Reports will be presented to the Citizens’ Bond Oversight Committee at their next meeting.

Performance Audit Report - The auditors’ Performance Review Audit Report did not reveal any items that were paid from the Measure Bond Construction Fund that did not comply with the purpose of the Bonds that were approved on March 2, 2004. It is the opinion of our auditors that the district “expended Measure E General Obligation Bond funds for the year ended June 30, 2010 in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)C of Article XIII A of the California Constitution.”

Financial Audit Report - It is the opinion of our auditors that the financial statements “present fairly, in all material respects, the financial position of the General Obligation Bonds of the District as of June 30, 2010, and the changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America”.

Board Agenda/ nb
For both Measure E Audit Reports, there were no management comments or findings representing reportable conditions, material weaknesses, or instances of noncompliance related to the audit.

Tina Treis, CPA, will review the District and Measure E Bond Audit Reports with the Board of Trustees.

**Budgetary Implications:**
Assures that the prior year financial statements and performance audits were conducted.

**Follow Up/Outcome:**
No further action is required.

Recommended By: Joseph D. Keeler, Vice President of Administrative Services

Prepared By: [Signature]
Joseph D. Keeler, Vice President of Administrative Services

Agenda Approval: [Signature]
Dr. Steven M. Kinsella, Superintendent/President