

**CHABOT – LAS POSITAS COMMUNITY COLLEGE  
DISTRICT**

**GENERAL OBLIGATION BONDS  
AGREED-UPON PROCEDURES  
REPORT  
JUNE 30, 2006**



INDEPENDENT ACCOUNTANTS' REPORT ON  
APPLYING AGREED-UPON PROCEDURES

Governing Board and  
Citizens' Fiscal Oversight Committee  
Chabot Las Positas Community College District  
Pleasanton, California

We have performed the agreed-upon procedures, which were agreed to by the management of the Chabot Las Positas Community College Building Fund and the Citizen's Fiscal Oversight Committee, to review 25% of the expenditures of the 2004 General Obligation Bond funds for the period of July 1, 2005 to June 30, 2006 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, District resolutions, the master plan and any updated master plans as the 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 Chabot Las Positas Community College District bond's compliance with election documents, district resolutions, master plan, and the revised master plan. This engagement to perform agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and meets the compliance requirements to perform an "audit" as outlined in Subparagraph (C) of paragraph (3) of subdivision (b) of section 1 of Article XIII A 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 either for the purpose for which this report has been requested or for any other purpose.

*Financial Summary*

1. The general obligation bond funds were authorized at an election of the registered voters of the District held on March 2, 2004. The bonds were authorized at an issuance of \$498,000,000 principal amount for the purpose of financing the acquisition, construction and modernization of facilities. The first series of the bonds were issued in 2004 and sold in the amount of \$100,000,000. In 2006, \$90,000,000 of the Series A bonds were refunded by issuing a refunding bond in the amount of \$89,275,850. The refunding bond generated a premium of \$14,725,474 which resulted in \$14,696,664 of additional cash received for bond projects.

2. Total expenditures and commitments through June 30, 2006 were \$51,250,362.
3. An analysis of expenditures is as follows:

Expenditures	Prior Periods	Current Period	Total
Supplies	\$ 17,856	\$ 10,932	\$ 28,788
Services	1,467,202	1,364,695	2,831,897
Capital outlay	6,181,591	11,716,017	17,897,608
Salaries and Benefits	-	233,545	233,545
Transfers/Other Outgo	4,580,085	42,291	4,622,376
Total expenditures	<u>\$ 12,246,734</u>	<u>\$ 13,367,480</u>	25,614,214
Contract commitments, June 30, 2006			25,636,148
Total expenditures and commitments			<u>\$ 51,250,362</u>

Available unspent funds from the bond as of June 30, 2006 are as follows:

	Prior Periods	Current Period	Total
Face amount of bond issued	\$ 100,000,000	89,275,850	\$ 189,275,850
Bond premium	2,810,612	14,725,474	17,536,086
Proceeds from sale of bond	102,810,612	104,001,324	206,811,936
Required deposit to debt service reserve account	(1,354,528)	-	(1,354,528)
Bond issuance costs (included in services above)	(1,456,084)	(1,200,159)	(2,656,243)
Advance refunding of part of Series A	-	(88,099,655)	(88,099,655)
Cash from sale of bond available for Measure B projects	<u>\$ 100,000,000</u>	<u>\$ 14,701,510</u>	114,701,510
Interest earned in building fund			4,638,201
Issuance costs			2,656,243
Total expenditures and commitments			(51,250,362)
Amount available			<u>\$ 70,745,592</u>

*Agreed Upon Procedures Performed*

1. Verify that the expenditure of funds were 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, district resolutions, master plan, and revised master plans.
4. Verify that District's internal control procedures are operating according to District policies.
5. 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 obligation bond fund expenditures were accounted for separately in the Building fund of the District.
2. The net proceeds from the sale of the general obligation bonds during the year were deposited into the building fund.
3. Our review of the expenditures for the period July 1, 2005, through June 30, 2006, did not reveal any items that were paid from the general obligation bond funds that did not comply with the purpose of the Bonds that were approved by the registered voters of the District on March 2, 2004. See supplemental information for list of expenditures reviewed.
4. Our review of the internal control procedures followed on selected invoices revealed no exceptions to the basic internal control policies of the District.
5. Our review of the awarding of contracts and the disbursement of funds revealed no exceptions to the policies of the State and 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 Chabot Las Positas Community College District and the Citizen's Fiscal Oversight Committee and is not intended to be and should not be used by anyone other than those specified parties.

*Vavinek, Trine, Day & Co LLP*

Pleasanton, California  
September 13, 2006

SUPPLEMENTAL INFORMATION

**CHABOT – LAS POSITAS COMMUNITY COLLEGE DISTRICT**

**SUPPLEMENTAL INFORMATION  
EXPENDITURES REVIEWED  
JULY 1, 2005 TO JUNE 30, 2006**

Warrant Date	Warrant Number	Object Code	Project Code	Vendor	Description from invoice or estimated payable form	Service Period or Delivery Date	Amount
07/27/05	88-226963	643001	551012	AMS.NET	Computer equipment	7/27/2005	\$ 201,104
09/26/05	88-226615	643001	551011	Gateway Computers	Computers	7/7/2005	107,800
07/03/06	88-354450	643001	552540	Western Machine	CNC Machines	5/20/2006	205,367
10/06/05	88-226962	643001	551011	AMS.NET	Computer equipment	8/11/2005-8/16/05	253,729
07/13/06	88-354825	643001	551011	Gateway Computers	Computers	5/31/2006	142,512
10/06/05	88-226972	6214	32151722	DMJMH+N	Labor	7/1/05-7/29/05	112,409
06/22/06	88-354076	6214	32151722	DMJMH+N	Labor	2/25/06-3/31/06	106,490
08/11/06	88-380650	6214	52151722	DMJMH+N	Labor	5/27/06-6/30/06	89,585
07/25/06	88-380172	6202	20506	TBP Associated Architects	Design/Engineering Services	6/1/06-6/30/06	152,129
03/03/06	88-286981	6235	552520	Alcal/Arcade Contracting	Re-roofing-Chabot College	12/15/2005	212,594
08/03/06	88-380527	6202	02536	Beverly Prior Architects	Professional Services-LPC	2/1/06-5/31/06	59,145
07/25/06	88-380163	6202	553720	John Sergio Fisher & Associate	Professional Services-LPC	4/24/06-6/2/06	224,000
07/25/06	88-380174	6202	0521400	WLC Architects	Professional Services-LPC	4/1/06-5/31/06	151,462
09/02/05	88-202485	6236	4006	Sierra Bay Contractors Inc	Professional Services-LPC	7/31/2005	404,337
10/25/05	88-227559	6236	4006	Sierra Bay Contractors Inc	Professional Services-LPC	8/31/2005	222,774
12/14/05	88-248061	6236	4006	Sierra Bay Contractors Inc	Professional Services-LPC	9/30/2005	186,884
10/14/05	88-227116	6236	553820	Top Grade Construction	Parking Lot Development	8/31/2005	397,928
12/14/05	88-248050	6214	32151722	DMJMH+N	Labor	11/15/05-11/21/05	83,940
12/17/05	88-248044	643001	553830	Biopac Systems	Science Lab equipment-Chabot	11/10/2005	29,031
05/01/06	88-313970	6235	552230	Rosa Construction	Professional Services-Chabot	3/27/2006	73,476
Total Invoices Tested							3,416,695
Total Expenditures							13,367,480
Percent Tested							25.6%