

CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT

GENERAL OBLIGATION BONDS

AGREED-UPON PROCEDURES REPORT

JUNE 30, 2009

Independent Accountants' Report on Applying
Agreed-Upon Procedures

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

We have performed the procedures enumerated below, which were agreed to by the management of the Chabot-Las Positas Community College District (District) and the Citizens' Bond Oversight Committee, solely to assist these specified parties with respect to verifying if the use of the 2004 General Obligation Bond funds for the period of July 1, 2008 to June 30, 2009 is in compliance with election documents, District resolutions, master plan, and the revised master plan. Management of the District is responsible for compliance with election documents, District resolutions, master plan, and the revised master plan. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the 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.

Our procedures and findings are as follows:

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 the 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. Select 100% of bond fund expenditures for salary and benefit costs for District staff and verify that a reasonable method is used for allocating costs to the bond funds.
5. Verify that the District's internal control procedures over processing of bond expenditures are operating according to District policies.
6. 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. There were no bond proceeds in the current year as no new bonds were issued.
3. Our review of the expenditures for the period July 1, 2008 through June 30, 2009, 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 salary and benefit costs for the period July 1, 2008 through June 30, 2009, revealed that \$6,822 of salary and \$2,248 of benefit costs, related to one employee of the District, did not comply with the purpose of the Bonds that were approved by the registered voters of the District on March 2, 2004. However, we noted that once this situation was discovered, District management corrected the accounting records and restored these funds to the General Obligation Bond fund. See District's response below.
5. Our review of the internal control procedures followed on selected invoices revealed no exceptions to the basic internal control policies of the District.
6. Our review of the awarding of contracts and the disbursement of funds revealed no exceptions to the policies of the State and the District.

The District's responses to the finding identified in #4 above follows. We did not apply additional procedures and, accordingly, we express no opinion on the response.

District Response

It is important to note that the Measure B time was tracked appropriately on the regular classified non-exempt employee's timesheet. The payroll labor distribution had not been adjusted to reflect the non Measure B time. To ensure time is tracked accurately in the future, an exception report for non Measure B chargeable tasks prepared by the employee's supervisor will be attached to the employee's monthly timesheet. Based upon the exception report, the District Payroll Manager will adjust the labor distribution as needed each month.

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 Citizens' Bond Oversight Committee and is not intended to be and should not be used by anyone other than those specified parties.

Nystrom & Company LLP

December 2, 2009

SUPPLEMENTAL INFORMATION

CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT

SUPPLEMENTAL INFORMATION
EXPENDITURES REVIEWED

JULY 1, 2008 TO JUNE 30, 2009

Warrant Date	Warrant Number	Object Code	Vendor	Description from Invoice or Estimated Payable Form	Service Period or Delivery Date	Amount
2/19/2009	88-830691	6235	C Overaa & Co.	Las Positas College Center for the Arts	1/31/2009	\$ 1,772,256
3/13/2009	88-861558	6235	C Overaa & Co.	Las Positas College Center for the Arts	2/28/2009	2,127,056
4/10/2009	88-862627	6235	C Overaa & Co.	Las Positas College Center for the Arts	3/31/2009	2,081,282
5/18/2009	88-875727	6235	C Overaa & Co.	Las Positas College Center for the Arts	4/30/2009	1,723,141
6/5/2009	88-906234	6235	C Overaa & Co.	Las Positas College Center for the Arts	5/31/2009	1,941,972
7/13/2009	88-907578	6235	C Overaa & Co.	Las Positas College Center for the Arts	6/30/2009	2,064,091
3/2/2009	88-831233	6235	Chevron Energy Solutions Co.	Chabot College solar panels	12/31/2008	3,953,911
3/2/2009	88-831233	6235	Chevron Energy Solutions Co.	Las Positas College solar panels	12/31/2008	3,927,155
7/13/2009	88-907622	6235	Roebbelen Contracting, Inc.	Chabot College community and student services center	5/31/2009	1,690,498
10/3/2008	88-777927	6235	Southland Industry	Chabot College central plant construction	8/29/2008	1,963,798
11/7/2008	88-791053	6235	Southland Industry	Chabot College central plant construction	9/30/2008	1,883,075
12/5/2008	88-799910	6235	Southland Industry	Chabot College central plant construction	10/31/2008	2,988,197
1/20/2009	88-817590	6235	Southland Industry	Chabot College central plant construction	11/30/2008	<u>2,039,056</u>
						<u>\$ 30,155,488</u>