

**VISTA UNIFIED SCHOOL DISTRICT**

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**BUILDING FUND (PROPOSITION O)  
FINANCIAL AND PERFORMANCE AUDITS**

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**JUNE 30, 2017**

**VISTA UNIFIED SCHOOL DISTRICT**

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**BUILDING FUND (PROPOSITION O)  
FINANCIAL AUDIT**

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**JUNE 30, 2017**

**VISTA UNIFIED SCHOOL DISTRICT  
BUILDING FUND (PROPOSITION O)**

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JUNE 30, 2017**

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***FINANCIAL SECTION***

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## INDEPENDENT AUDITOR'S REPORT

Governing Board and  
Citizens Oversight Committee  
Vista Unified School District  
Vista, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the Vista Unified School District's (the District), Building Fund (Proposition O), as of and for the year ended June 30, 2017, and the related notes to the financial statements, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of financial statements, whether due to error or fraud. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Building Fund (Proposition O) of the Vista Unified School District at June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

As discussed in Note 1, the financial statements present only the Building Fund specific to Proposition O, and are not intended to present fairly the financial position and changes in financial position of Vista Unified School District in accordance with accounting principles generally accepted in the United States of America.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2017, on our consideration of the District's Building Fund (Proposition O) internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's Building Fund (Proposition O) internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's Building Fund (Proposition O) internal control over financial reporting and compliance.

*Vavink, Inc, Day & Co, LLP*

Rancho Cucamonga, California  
November 27, 2017

**VISTA UNIFIED SCHOOL DISTRICT  
BUILDING FUND (PROPOSITION O)**

**BALANCE SHEET  
JUNE 30, 2017**

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**ASSETS**

Deposits and investments	\$	81,092
Accounts receivable		247
<b>Total Assets</b>	<b>\$</b>	<b>81,339</b>

**LIABILITIES AND FUND BALANCES**

**Liabilities:**

Accounts payable	\$	983
Due to other funds		927
<b>Total Liabilities</b>		<b>1,910</b>

**Fund Balances:**

Restricted for capital projects		79,429
<b>Total Liabilities and Fund Balances</b>	<b>\$</b>	<b>81,339</b>

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

**VISTA UNIFIED SCHOOL DISTRICT  
BUILDING FUND (PROPOSITION O)**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2017**

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**REVENUES**

Interest income \$ 928

**EXPENDITURES**

Capital outlay  
Buildings and improvements 15,448

**NET CHANGE IN FUND BALANCE** (14,520)

**FUND BALANCE - BEGINNING** 93,949

**FUND BALANCE - ENDING** \$ 79,429

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

# **VISTA UNIFIED SCHOOL DISTRICT BUILDING FUND (PROPOSITION O)**

## **NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017**

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

The accounting policies of the Vista Unified School District (the District), Building Fund (Proposition O) conform 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 (AICPA). The Vista Unified School District Building Fund accounts for financial transactions in accordance with the policies and procedures of the California School Accounting Manual.

#### **Financial Reporting**

The financial statements include only the Building Fund of the Vista Unified School District used to account for Proposition O projects. This Fund was established to account for the expenditures of general obligation bonds issued under the Proposition O. These financial statements are not intended to present fairly the financial position and results of operations of the Vista Unified School District in compliance with accounting principles generally accepted in the United States of America.

#### **Fund Accounting**

The operations of the Building Fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Resources are allocated to, and accounted for, in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

#### **Basis of Accounting**

The Building Fund is accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

#### **Budgets and Budgetary Accounting**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. The District's governing board adopts an operating budget no later than July 1 in accordance with State law. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements. The Board revises this budget during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

**VISTA UNIFIED SCHOOL DISTRICT  
BUILDING FUND (PROPOSITION O)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

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**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 lapse at June 30.

**Fund Balance – Building Fund (Proposition O)**

As of June 30, 2017, the fund balance is classified as follows:

**Restricted** – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

**Spending Order Policy**

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

**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**

**Policies and Practices**

The District is authorized under *California Government Code* to make direct investments in local agency bonds, notes, or warrants within the State: U.S. Treasury instrument; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreement; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security, and collateralized mortgage obligations.

**VISTA UNIFIED SCHOOL DISTRICT  
BUILDING FUND (PROPOSITION O)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

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**Investment in County Treasury**

The District is 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 statement 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.

**General Authorizations**

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
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	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 is to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the County Pool.

**VISTA UNIFIED SCHOOL DISTRICT  
BUILDING FUND (PROPOSITION O)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

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**Specific Identification**

The District maintains a Building Fund investment of \$81,092 with the San Diego County Treasury Investment Pool, with an average maturity of 417 days.

**NOTE 3 - FAIR VALUE MEASUREMENTS**

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

Uncategorized - Investments in the San Diego County Treasury Investment Pool are not measured using the input levels above because the District's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The District's fair value measurements are as follows at June 30, 2017:

Investment Type	Reported Amount	Uncategorized
San Diego County Treasury Investment Pool	\$ 81,092	\$ 81,092

**VISTA UNIFIED SCHOOL DISTRICT  
BUILDING FUND (PROPOSITION O)**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

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**NOTE 4 - ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2017, consisted of the following:

Interest	<u><u>\$ 247</u></u>
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**NOTE 5 - ACCOUNTS PAYABLE**

Accounts payable at June 30, 2017, consisted of the following:

Capital outlay	<u><u>\$ 983</u></u>
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**NOTE 6 - INTERFUND RECEIVABLES/PAYABLES (DUE TO/DUE FROM)**

Interfund payable balance at June 30, 2017, was as follows:

Due to other funds - General Fund for residual interest	<u><u>\$ 927</u></u>
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**NOTE 7 – COMMITMENTS AND CONTINGENCIES**

As of June 30, 2017, the Building Fund (Proposition O) had the following commitments with respect to unfinished projects:

<u>Proposition O Projects</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of Completion</u>
Rancho Minerva Middle School Mitigation	<u><u>\$ 54,877</u></u>	<u>05/31/20</u>

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***INDEPENDENT AUDITOR'S REPORT***

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Governing Board and  
Citizens Oversight Committee  
Vista Unified School District  
Vista, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the accompanying financial statements of the Vista Unified School District (the District) Building Fund (Proposition O), as of and for the year ended June 30, 2017, and the related notes of the financial statements, and have issued our report thereon dated November 27, 2017.

**Emphasis of Matter**

As discussed in Note 1, the financial statements present only the Building Fund specific to Proposition O, and are not intended to present fairly the financial position and changes in financial position of Vista Unified School District in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered District's Building Fund (Proposition O) internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of District's Building Fund (Proposition O) internal control. Accordingly, we do not express an opinion on the effectiveness of Vista Unified School District's Building Fund (Proposition O) internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Vista Unified School District's Building Fund (Proposition O) financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's Building Fund (Proposition O) internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's Building Fund (Proposition O) internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Vavink, Inc, Day & Co, LLP*

Rancho Cucamonga, California  
November 27, 2017

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***SCHEDULE OF FINDINGS AND QUESTIONED COSTS***

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**VISTA UNIFIED SCHOOL DISTRICT  
BUILDING FUND (PROPOSITION O)**

**FINANCIAL STATEMENT FINDINGS  
JUNE 30, 2017**

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None reported.

**VISTA UNIFIED SCHOOL DISTRICT  
BUILDING FUND (PROPOSITION O)**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2017**

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There were no audit findings reported in the prior year's schedule of financial statement findings.

**VISTA UNIFIED SCHOOL DISTRICT**

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**BUILDING FUND (PROPOSITION O)  
PERFORMANCE AUDIT**

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**JUNE 30, 2017**

**VISTA UNIFIED SCHOOL DISTRICT  
BUILDING FUND (PROPOSITION O)**

**PERFORMANCE AUDIT  
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JUNE 30, 2017**

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**INDEPENDENT AUDITOR'S REPORT ON PERFORMANCE**

Governing Board and  
Citizens Oversight Committee  
Vista Unified School District  
Vista, California

We were engaged to conduct a performance audit of the Vista Unified School District (the District), Building Fund (Proposition O) funds for the year ended June 30, 2017.

We conducted this performance audit in accordance with the standards applicable to performance audits contained in *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 conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our audit objectives.

Our audit was limited to the objectives listed within the report which includes determining the District's compliance with the performance requirements as referred to in Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution. Management is responsible for the District's compliance with those requirements.

In planning and performing our performance audit, we obtained an understanding of the District's internal control in order to determine if the internal controls were adequate to help ensure the District's compliance with the requirements of Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution, but not for the purpose of expressing an opinion of the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

The results of our tests indicated that the District expended Building Fund (Proposition O) funds only for the specific projects approved by the voters, in accordance with Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution.

*Vavrinek, Trine, Day & Co., LLP*  
Rancho Cucamonga, California  
November 27, 2017

# VISTA UNIFIED SCHOOL DISTRICT BUILDING FUND (PROPOSITION O)

**JUNE 30, 2017**

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## ***AUTHORITY FOR ISSUANCE***

The general obligation bonds associated with Proposition O were issued pursuant to the Constitution and laws of the State of California (the State), including the provisions of Chapters 1 and 1.5 of Part 10 of the *California Education Code*, and other applicable provisions of law. The bonds are authorized to be issued by a resolution adopted by the Board of Supervisors of the County on April 23, 2002 (the Resolution), pursuant to a request of the District made by a resolution adopted by the Board of Education of the District on April 11, 2002.

The District received authorization from an election held on March 5, 2002, to issue bonds of the District in an aggregate principal amount not to exceed \$140,000,000 to finance specific construction and renovation projects approved by eligible voters within the District. The proposition required approval by at least 55 percent of the votes cast by eligible voters within the District (the 2002 Authorization). The bonds represent all series of the authorized bonds to be issued under the 2002 Authorization.

## ***PURPOSE OF ISSUE***

Pursuant to the authorization, the proceeds of the bonds will be used to renovate and improve school buildings and facilities, specifically, to complete the projects listed in the information given to the voters (the "Bond Project List") including a prepayment of obligations incurred by the District to finance land acquisition costs. The Bond Project List includes two new magnet high schools located on a single site with shared ancillary and sports facilities, expansion of the Guajome Park Academy, a new continuation high school, a new middle school, two new K-8 schools, four new elementary schools, two new temporary schools, environmental mitigation of new school sites, a multipurpose building at the Casita Center for Science (K-5 school), a multipurpose building at Washington Middle School, a stadium at Rancho Buena Vista High School, improvements to existing schools, modernization of existing schools, and educational technology infrastructure within the District.

## ***AUTHORITY FOR THE AUDIT***

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by school districts, community college districts, or county offices of education, "for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of rental property for school facilities", upon approval by 55 percent of the electorate. In addition to reducing the approval threshold from two-thirds to 55 percent, Proposition 39 and the enacting legislation (AB 1908 and AB 2659) requires the following accountability measures as codified in *Education Code* Sections 15278-15282:

1. Requires that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b)(3)(C) of the California Constitution, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.
2. The school district must list the specific school facilities projects to be funded in the ballot measure, and must certify that the governing board has evaluated safety, class size reduction and information technology needs in developing the project list.
3. Requires the school district to appoint a Citizens' Oversight Committee.

# VISTA UNIFIED SCHOOL DISTRICT BUILDING FUND (PROPOSITION O)

**JUNE 30, 2017**

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4. Requires the school district to conduct an annual independent financial audit and performance audit in accordance with the *Government Auditing Standards* issued by the Comptroller General of the United States of the bond proceeds until all of the proceeds have been expended.
5. Requires the school district to conduct an annual independent performance audit to ensure that the funds have been expended only on the specific projects listed.

## ***OBJECTIVES OF THE AUDIT***

1. Determine whether expenditures charged to the Building Fund have been made in accordance with the bond project list approved by the voters through the approval of Proposition O.
2. Determine whether salary transactions, charged to the Building Fund were in support of Proposition O and not for District general administration or operations.

## ***SCOPE OF THE AUDIT***

The scope of our performance audit covered the period of July 1, 2016 to June 30, 2017. The population of expenditures tested 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, other than proceeds of the bonds, were not included within the scope of the audit. Expenditures incurred subsequent to June 30, 2017, were not reviewed or included within the scope of our audit or in this report.

## ***PROCEDURES PERFORMED***

We obtained the general ledger and the project expenditure reports prepared by the District for the fiscal year ended June 30, 2017, for the Building Fund (Proposition O). Within the fiscal year audited, we obtained the actual invoices and other supporting documentation for a sample of expenditures to ensure compliance with the requirements of Article XIII A, Section 1(b)(3)(C) of the California Constitution and Proposition O as to the approved bond projects list. We performed the following procedures:

1. We selected a sample of expenditures for the period starting July 1, 2016 and ending June 30, 2017, and reviewed supporting documentation to ensure that such funds were properly expended on the specific projects listed in the ballot text.
2. Our sample included transactions totaling \$15,448. This represents 100 percent of the total expenditures for capital outlay of \$15,448.
3. Based on the testing performed, we verified that funds from the Building Fund (Proposition O) were expended for the construction, renovation, furnishing, and equipping of District facilities constituting authorized bond projects.

## ***CONCLUSION***

The results of our tests indicated that, in all significant respects, the Vista Unified School District has properly accounted for the expenditures held in the Building Fund (Proposition O) and that such expenditures were made for authorized Bond projects.

**VISTA UNIFIED SCHOOL DISTRICT  
BUILDING FUND (PROPOSITION O)**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2017**

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None reported.

**VISTA UNIFIED SCHOOL DISTRICT  
BUILDING FUND (PROPOSITION O)**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2017**

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There were no audit findings reported in the prior year's schedule of financial statement findings.