

**SAN JOSE/EVERGREEN COMMUNITY
COLLEGE DISTRICT**

**2004 GENERAL OBLIGATION BONDS
Agreed-Upon Procedures Report
June 30, 2009**



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

San Jose/Evergreen Community College District
Independent Citizen's Oversight Committee

We have performed the Agreed-Upon Procedures enumerated in Exhibit A, which were agreed to by the management of the San Jose/Evergreen Community College District (the District) and the Committee for the sole purpose of determining compliance with Measure G General Obligation Bond requirements for the period of July 1, 2008 through June 30, 2009. Management is responsible for San Jose / Evergreen Community College District's compliance with election documents, district resolutions, and the project priority list. This engagement to perform Agreed-Upon Procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of 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.

The procedures we performed and the results of findings and recommendations are described within this report.

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 use of the San Jose/Evergreen Community College District Board of Trustees, Independent Citizen's Oversight Committee, and District administrators 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
November 16, 2009

SAN JOSE/EVERGREEN COMMUNITY COLLEGE DISTRICT

MEASURE G GENERAL OBLIGATION BOND AGREED-UPON PROCEDURES JUNE 30, 2009

Exhibit A

1. Observe that District procedures for disbursement of funds related to the voter approved general obligation bonds were applied in accordance with approved San Jose-Evergreen Community College District Board policies. This will be accomplished through the inspection of specified documents evidencing disbursement transactions and detailed supporting documentation including, but not limited to, purchase orders, invoices, requests for bids, contracts, notices of completion, warrant registers, and general ledgers.
2. Select 35% 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, and master plans.
3. Prepare a schedule of all costs incurred from July 1, 2008 through June 30, 2009, by project, for the general obligation bond funding.
4. Calculate the balance available for expenditure of bond proceeds related to the approved projects within the bond project fund at June 30, 2009. This will include a review of the open contracts, notices of completion and retention balances, and analysis of the work in process.

Agreed-Upon Procedure (1)

Procedure

Observe that District procedures for disbursement of funds related to the voter approved general obligation bonds were applied in accordance with approved San Jose-Evergreen Community College District Board policies. This will be accomplished through the inspection of specified documents evidencing disbursement transactions and detailed supporting documentation including, but not limited to, purchase orders, invoices, requests for bids, contracts, notices of completion, warrant registers, and general ledgers.

Results

The results of our procedures noted no exceptions in the procedures related to the disbursement of funds from the Measure G voter approved general obligation bond funds.

Agreed-Upon Procedure (2)

Procedure

Verify compliance with project expenditures as detailed in the Bond Initiative documents placed on the November 2, 2004 Local Election Ballot.

SAN JOSE/EVERGREEN COMMUNITY COLLEGE DISTRICT

MEASURE G GENERAL OBLIGATION BOND AGREED-UPON PROCEDURES JUNE 30, 2009

Results

At the request of the District, we included 35 percent of all current year expenditures charged to the Bond Funds in our examination. Based upon our examination of actual invoices and purchase orders, expenditures examined were in compliance with the language of the Bond Initiative documents placed on the November 2, 2004 Local Election Ballot.

Agreed-Upon Procedure (3)

Procedure

Prepare a schedule of all costs incurred from July 1, 2008 through June 30, 2009, by project, for the general obligation bond funding.

Results

Measure G Fund Project Description	Current Year Expenditures
San Jose City College	
Campus Master Plan	\$ 284,088
Campus	6,608,095
Student union	2,221,592
Applied sciences complex	416,093
Safety upgrades	252,241
Utility upgrades	5,123
Southwest quad	6,303
Central plant	209,025
Sports complex	63,115
Signage	58,974
Evergreen Valley College	
Campus modernization	8,703,632
Safety upgrades	154,330
Repair projects	23,117
Arts complex	17,786,060
Signage	11,692
Districtwide	
Administrative costs	6,228,564
Scheduled maintenance	245,258
Total Current Year Expenditures	<u>\$ 43,277,302</u>

SAN JOSE/EVERGREEN COMMUNITY COLLEGE DISTRICT

**MEASURE G GENERAL OBLIGATION BOND
AGREED-UPON PROCEDURES
JUNE 30, 2009**

Agreed-Upon Procedure (4)

Procedure

Calculate the balance available for expenditure of bond proceeds related to the approved projects within the bond project fund at June 30, 2009. This will include a review of the open contracts, notices of completion and retention balances, and analysis of the work in process.

Results

Measure G bond fund expenditures during fiscal year 2008-2009 were \$43,277,302 and project to date expenditures totaled \$84,097,078. Bond proceeds in the amount of \$45,000,000 and \$97,999,946, in addition to interest revenue earned to date of \$6,652,087 and other local revenue of \$1,243,814, provided \$150,895,847 available for expenditures. The available remaining amount as of June 30, 2009, prior to consideration of any construction commitments, potential arbitrage, or subsequent issuance of additional series of the bonds was \$66,798,769. There were no adjustments to the District's financial records as a result of these procedures.

<u>Description</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>
Income			
Bond proceeds	\$ 142,999,946	\$ -	\$ 142,999,946
Interest Earned	4,242,226	2,409,861	6,652,087
Other Local Revenue	1,243,814	-	1,243,814
Subtotal	<u>148,485,986</u>	<u>2,409,861</u>	<u>150,895,847</u>
Expenditures	<u>40,819,776</u>	<u>43,277,302</u>	<u>84,097,078</u>
Amount Available Before Commitments	<u>\$ 107,666,210</u>	<u>\$ (40,867,441)</u>	<u>\$ 66,798,769</u>