

**SAN JOSE/EVERGREEN COMMUNITY COLLEGE DISTRICT**

**2004 GENERAL OBLIGATION BONDS  
Agreed-Upon Procedures Report  
June 30, 2008**



VAVRINEK, TRINE, DAY  
& COMPANY, LLP  
*Certified Public Accountants*

VALUE THE DIFFERENCE

**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, 2007 through June 30, 2008. 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  
December 3, 2008

**SAN JOSE/EVERGREEN COMMUNITY COLLEGE DISTRICT  
MEASURE G GENERAL OBLIGATION BOND  
AGREED-UPON PROCEDURES  
JUNE 30, 2008**

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, 2007 through June 30, 2008, 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, 2008. 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, 2008**

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, 2007 through June 30, 2008, by project, for the general obligation bond funding.

Results

<b>Measure G Fund Project Description</b>	<b>Category of Expense</b>	<b>Expenditures To Date</b>
<b>San Jose City College</b> Campus Master Plan	Sites	\$ 1,650
<b>Districtwide</b> Information Technology	Contract services	<u>108,129</u>
<b>Total Expenditures</b>		<b><u>\$ 109,779</u></b>

**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, 2008. 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 2007-2008 were \$109,779 and project to date expenditures totaled \$40,819,776. Bond proceeds in the amount of \$45,000,000 and \$97,999,946, in addition to interest revenue earned to date of \$4,242,225 and other local revenue of \$1,243,814, provide \$107,666,209 from the issuances to date that are available for future expenditures prior to consideration of any construction commitments or subsequent issuance of additional series of the bonds. There were no adjustments to the District's financial records as a result of our procedures.

<u>Year</u>	<u>Income</u>	<u>Amount</u>
2004/2005	Bond proceeds	\$ 45,000,000
2004/2005	Interest Earned	119,309
2005/2006	Interest Earned	1,642,511
2005/2006	Other Local Revenue	1,243,814
2006/2007	Interest Earned	1,109,364
2007/2008	Bond proceeds	97,999,946
2007/2008	Interest Earned	1,371,041
	<b>Subtotal</b>	<u>148,485,985</u>
<u>Year</u>	<u>Expenditures</u>	
2004/2005	Expenditures	2,279,993
2005/2006	Expenditures	18,609,605
2006/2007	Expenditures	19,820,399
2007/2008	Expenditures	109,779
	<b>Subtotal</b>	<u>40,819,776</u>
	<b>Remaining Balance @ 6/30/08</b>	<u>\$ 107,666,209</u>