

March 28, 2018

James Marta & Company, CPAs
701 Howe Avenue, Suite E3
Sacramento, CA 95825

Dear Mr. Deol;

Thank you for your 28 February Measure Q Audit presentation to the Citizens' Bond Oversight Committee (CBOC). This is a follow up regarding our questions and comments regarding the financial and performance audit reports performed by your firm.

Prior to the Committee accepting the audit reports the following additions are requested:

Financial Audit

Page 3 - Add footnote to explain fund source and description of the Asset item "Due from other funds"

We agree that materiality is a consideration when footnotes are added to explain accounting entries; however, an explanation may add information for the reader that is of significance other than the dollar amount.

Page 4 - Add footnote to explain source and description of the Revenue item "Other local revenues"

The reader may assume the source of this revenue is the interest received from the investment of idle bond funds. The footnote explanation or simply listing the source of the revenue as "Interest on bond fund balance" would eliminate any question or assumption.

Performance Audit

Add an audit finding that the District failed to form the oversight committee within 60 days of the date that the governing board entered the election results for Measure Q in the minutes as required by Ed Code 15278.

Note: The requirement of the Ed Code is the minimum time frame for selection of COC members. The selection of COC members could have taken place immediately after the election. Some Districts have established the COC before the election. The results of the election were entered in the Board minutes of January 12, 2017. The selection of the CBOC members was not completed until May 25, 2017. The first meeting of the CBOC was held on June 28, 2017.

Add an audit finding that the District did not provide copies of the independent Financial and Performance audits to the CBOC at the same time they were received by the District as required by Ed Code 15286.

Note: After reading the School Board Agenda for the February 1, 2018 meeting, a member of the CBOC obtained copies of the audit report, dated December 12, 2017.

The CBOC awaits your response so that the audits may be accepted. The CBOC also requests to be included on correspondence regarding future Measure Q audits.

Sincerely,

Chair
Measure Q Bond Oversight Committee