

**PASADENA AREA
COMMUNITY COLLEGE DISTRICT
MEASURE P GENERAL OBLIGATION BOND**

**FINANCIAL AUDIT
WITH INDEPENDENT AUDITORS' REPORT
AND
INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

JUNE 30, 2010

**PASADENA AREA COMMUNITY COLLEGE DISTRICT
MEASURE P GENERAL OBLIGATION BOND**

JUNE 30, 2010

CONTENTS

INDEPENDENT AUDITORS' REPORT.....	1
FINANCIAL STATEMENTS	
Balance Sheet - Modified Accrual Basis.....	2
Statement of Revenues, Expenditures, and Changes in Fund Balance - Modified Accrual Basis	3
Notes to Financial Statements	4
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	9
INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES	11
AGREED-UPON PROCEDURES REPORT	13

**PASADENA AREA
COMMUNITY COLLEGE DISTRICT**

MEASURE P GENERAL OBLIGATION BOND

FINANCIAL AUDIT
WITH INDEPENDENT AUDITORS' REPORT

JUNE 30, 2010



INDEPENDENT AUDITORS' REPORT

Board of Trustees
Pasadena Area Community College District
Pasadena, California

We have audited the accompanying financial statements of the Measure P General Obligation Bond (the Bond Fund) of Pasadena Area Community College District (the District) as of June 30, 2010, as listed in the table of contents. These financial statements are the responsibility of the District's management. 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 of America. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1 of the Notes to Financial Statements, the financial statements present only the Bond Fund and do not purport to, and do not, present fairly the financial position of the District as of June 30, 2010, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. Also, as discussed in Note 2 of the Notes to Financial Statements, the Bond Fund's financial statements are prepared on the modified accrual basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position - modified accrual basis of the Measure P General Obligation Bond of Pasadena Area Community College District as of June 30, 2010, and the results of its operations - modified accrual basis for the year then ended, in conformity with the basis of accounting described in Note 2.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2010, on our consideration of the District's internal control over financial reporting for the Measure P General Obligation Bond 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and is important for assessing the results of our audit.

Rancho Cucamonga, California
December 16, 2010

**PASADENA AREA COMMUNITY COLLEGE DISTRICT
MEASURE P GENERAL OBLIGATION BOND**

**BALANCE SHEET - MODIFIED ACCRUAL BASIS
JUNE 30, 2010**

ASSETS

Investments	\$ 69,922,093
Accounts receivable	235,588
Total Assets	<u><u>\$ 70,157,681</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts payable and accrued liabilities	<u>\$ 588,993</u>
--	-------------------

FUND BALANCE

Unreserved	
Designated	69,568,688
Total Liabilities and Fund Balance	<u><u>\$ 70,157,681</u></u>

See the accompanying notes to financial statements.

**PASADENA AREA COMMUNITY COLLEGE DISTRICT
MEASURE P GENERAL OBLIGATION BOND**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - MODIFIED ACCRUAL BASIS
FOR THE YEAR ENDED JUNE 30, 2010**

REVENUES

Local revenues		\$ 820,167
Total Revenues		820,167

EXPENDITURES

Classified salaries		59,014
Employee benefits		5,597
Supplies		26,170
Services and operating expenditures		660,039
Capital outlay		9,314,683
Total Expenditures		10,065,503

EXCESS OF EXPENDITURES OVER REVENUES	(9,245,336)
---	--------------------

OTHER FINANCING SOURCES

Other sources		52,285,179
---------------	--	------------

**EXCESS OF REVENUES AND OTHER FINANCING
SOURCES OVER EXPENDITURES**

	43,039,843
FUND BALANCE, BEGINNING OF YEAR	26,528,845
FUND BALANCE, END OF YEAR	\$ 69,568,688

See the accompanying notes to financial statements.

**PASADENA AREA COMMUNITY COLLEGE DISTRICT
MEASURE P GENERAL OBLIGATION BOND**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 1 - ORGANIZATION AND NATURE OF ACTIVITIES

The Measure P General Obligation Bond Fund (the Bond Fund) is a governmental fund of Pasadena Area Community College District (the District). This fund is used to account for the activity of the Proposition 39 Measure P General Obligation Bond approved by the voters of the District. These financial statements present only the Bond Fund and do not purport to present fairly the financial position of the District and the changes in its financial position in conformity with accounting standards generally accepted in the United States of America.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Financial Statement Presentation

The financial statements of the Bond Fund have been prepared on the modified accrual basis of accounting. The statement of activities is a statement of financial activities related to the current reporting period. Using this method, revenues are recognized when they are both measurable and available, and expenses are recognized when goods are received or services are rendered.

Fund Accounting

The operations of the Bond 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 Bond Fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

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 reported amounts of assets and liabilities at the reporting date, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3 - 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 instruments; 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 agreements; 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.

PASADENA AREA COMMUNITY COLLEGE DISTRICT
MEASURE P GENERAL OBLIGATION BOND

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010

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 accompanying financial statements 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.

The pool is managed by the Los Angeles County Treasurer and is not registered as an investment company with the U.S. Securities and Exchange Commission. Oversight of the pool is the responsibility of the County Treasury Oversight Committee. California Government Code statutes and the County Treasury Oversight Committee set forth the various investment policies that the Treasurer follows.

As provided by the Government Code, the cash balances of substantially all funds are pooled and invested by the County Treasurer for the purpose of increasing interest earnings through investment activities. Interest earned on pooled investments is deposited to the participating funds based upon the funds' average daily deposit balance during the allocation period.

**PASADENA AREA COMMUNITY COLLEGE DISTRICT
MEASURE P GENERAL OBLIGATION BOND**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

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

Summary of Investments

Investments as of June 30, 2010, consist of the following:

County Pool - Los Angeles	<u>Reported Value</u> <u>\$ 69,922,093</u>
---------------------------	---

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 to changes in market interest rates. The District manages its exposure to interest rate risk by investing in the County Pool.

**PASADENA AREA COMMUNITY COLLEGE DISTRICT
MEASURE P GENERAL OBLIGATION BOND**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

Specific Identification

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuation is provided by the following schedule that shows the distribution of the District's investment by maturity:

Investment Type	Fair Value	Maturity Date
County Pool - Los Angeles	\$ 70,328,738	536*

* Weighted average days to maturity.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in the County Pool is not required to be rated, nor has it been rated as of June 30, 2010.

Investment Type	Fair Value
County Pool - Los Angeles	\$ 70,328,738

NOTE 4 - ACCOUNTS RECEIVABLE

The accounts receivable at June 30, 2010, in the amount of \$235,588 represents interest earnings that have yet to be received. All amounts have been determined by management to be fully collectable.

NOTE 5 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable at June 30, 2010, consist of the following:

Vendor payables	\$ 588,993
-----------------	------------

**PASADENA AREA COMMUNITY COLLEGE DISTRICT
MEASURE P GENERAL OBLIGATION BOND**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2010**

NOTE 6 - FUND BALANCE

The fund balance is composed of the following element:

Unreserved	
Designated	<u>\$ 69,568,688</u>

NOTE 7 - COMMITMENTS AND CONTINGENCIES

As of June 30, 2010, the Measure P General Obligation Bond had the following commitments as defined by the bond documents:

CAPITAL PROJECTS	<u>Remaining Construction Commitments</u>	<u>Expected Dates of Completion</u>
Arts Building	\$ 658,443	2012
Campus Center	174,530	2010
Classroom Conversions	175,641	2012
Elevator Upgrades	33,240	2011
Restroom Upgrades	2,800	2011
Electrical Upgrade	2,680	2011
	<u>\$ 1,047,334</u>	

These projects are anticipated to be paid from current issuances of the Measure P General Obligation Bond Fund.



**INDEPENDENT AUDITORS' 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***

Board of Trustees
Pasadena Area Community College District
Pasadena, California

We have audited the accompanying balance sheet and statement of revenues, expenditures, and changes in fund balance for the Measure P General Obligation Bond of Pasadena Area Community College District (the District) for the year ended June 30, 2010, and have issued our report thereon dated December 16, 2010. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Pasadena Area Community College District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Pasadena Area Community College District's internal control over the Measure P General Obligation Bond's financial reporting. Accordingly, we do not express an opinion on the effectiveness of Pasadena Area Community College District's internal control over financial reporting.

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 entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pasadena Area Community College District's Measure P General Obligation Bond's financial statements are free of 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 audits 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*.

This report is intended solely for the information and use of the Board of Trustees, Audit Committee, District Management, and the Independent Citizen's Oversight Committee and is not intended to be and should not be used by anyone other than these specified parties.

Vaurinek, Sine, Day & Co. LLP

Rancho Cucamonga, California
December 16, 2010

**PASADENA AREA
COMMUNITY COLLEGE DISTRICT**

MEASURE P GENERAL OBLIGATION BOND

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

JUNE 30, 2010



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

Board of Trustees
Pasadena Area Community College District
Pasadena, California

We have performed the Agreed-Upon Procedures enumerated in Exhibit A, which were agreed to by the management of the Pasadena Area Community College District (the District) for the sole purpose of determining compliance with Measure P General Obligation Bond requirements for the year ending June 30, 2010. The District's management is responsible for maintaining compliance with Proposition 39 requirements. This engagement to perform Agreed-Upon Procedures was conducted 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 are as follows:

- A. Verify that District procedures for disbursement of funds related to the voter approved general obligation bonds were applied in accordance with regulations described in the Proposition 39 State initiative, as well as approved Board of Trustees policies related to contracts, bid procedures, and disbursements. This will be accomplished through the inspection of expenditures related to the Measure P Bond Fund. The specific documents to be inspected will include, but not be limited to: bid packets and documentation for contracts and services, invoices for services rendered, and other appropriate documents deemed necessary to provide a basis for the results of our review.
- B. Verify the items selected above are in compliance with expenditure allowances related to local bond funding and are in accordance with approved contracts, District budgets and planning documents, and Bond Initiative documents placed on the Local Election Ballot.
- C. Prepare a schedule of all costs incurred between July 1, 2009 and June 30, 2010, by project for the local bond measure funding.
- D. Prepare a schedule of all projects started and/or completed since the inception of the bond and the total costs incurred from inception of the bond.
- E. Calculate the balance available for expenditure of bond proceeds related to the approved projects within the bond project fund at June 30, 2010. This will include a review of the open contracts, notices of completion and retention balances, and analysis of the work in process.
- F. Review minutes of the Measure P Citizen's Oversight Committee for compliance with requirements of Proposition 39 related to oversight and monitoring of the bond projects.

The results of the above procedures are included within this report as Exhibit A.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion relating to the matters included in the Agreed-Upon Procedures. 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 Board of Trustees, Audit Committee, District Management, and the Independent Citizen's Oversight Committee and is not intended to be and should not be used by anyone other than these specified parties.

Vaurinek, Irene Day, Esq. CPA

Rancho Cucamonga, California
December 16, 2010

PASADENA AREA COMMUNITY COLLEGE DISTRICT
MEASURE P GENERAL OBLIGATION BOND

AGREED-UPON PROCEDURES REPORT
JUNE 30, 2010

Agreed-Upon Procedure (A)

Procedure

Verify that District procedures for disbursement of funds related to the voter approved general obligation bonds were applied in accordance with regulations described in the Proposition 39 State initiative, as well as approved Board of Trustees policies related to contracts, bid procedures, and disbursements. This will be accomplished through the inspection of expenditures related to the Measure P Bond Fund. The specific documents to be inspected will include, but not be limited to: bid packets and documentation for contracts and services, invoices for services rendered, and other appropriate documents deemed necessary to provide a basis for the results of our review.

Results

At the request of management, we examined 54 percent of all expenditures charged to the Measure P Bond Fund. The results of our procedures noted no exceptions in the disbursement procedures. Costs incurred were in accordance with Proposition 39 requirements and followed Board approved procedures related to contracts, bids, and disbursements.

Agreed-Upon Procedure (B)

Procedure

Verify the items selected above are in compliance with expenditure allowances related to local bond funding and are in accordance with approved contracts, District budgets and planning documents, and Bond Initiative documents placed on the Local Election Ballot.

**PASADENA AREA COMMUNITY COLLEGE DISTRICT
MEASURE P GENERAL OBLIGATION BOND**

**AGREED-UPON PROCEDURES REPORT
JUNE 30, 2010**

Results

Within the expenditures examined above, all items selected for testing were in compliance with expenditure allowances related to local bond funding and are in accordance with approved contracts and District budgets and planning documents. Additionally, all expenditures examined were in agreement with Bond Initiative documents placed on the Local Election Ballot. The District has not charged on-going administrative costs to the Bond Fund.

FUND 42

<u>Category of Expense</u>	<u>Expenditures Incurred</u>	<u>Expenditures Tested</u>	<u>Percentage of Total</u>
Classified salaries	\$ 59,014	\$ 10,404	18%
Employee benefits	5,597	-	0%
Supplies	26,170	-	0%
Services and operating expenditures	660,039	517,158	78%
Capital outlay	9,314,683	7,175,872	77%
Total	<u>\$ 10,065,503</u>	<u>\$ 7,703,434</u>	77%

**PASADENA AREA COMMUNITY COLLEGE DISTRICT
MEASURE P GENERAL OBLIGATION BOND**

**AGREED-UPON PROCEDURES REPORT
JUNE 30, 2010**

Agreed-Upon Procedure (C)*Procedure*

Prepare a schedule of all costs incurred between July 1, 2009 and June 30, 2010, by project for the local bond measure funding.

Results

<u>Cost Center</u>	<u>Project Description</u>	<u>Category of Expense</u>	<u>Expenditures Incurred</u>
7400	Bond - cost of issue and other expense	Interest and other charges	\$ 517,158
7401	Construction management	Capital outlay	525,791
		Supplies and materials	1,069
7403	Industrial technology building	Capital outlay	873,081
		Supplies and materials	99,536
7404	Arts building	Capital outlay	2,426,463
		Supplies and materials	6,713
		Salaries and benefits	64,611
7405	Campus center	Capital outlay	2,340,266
		Supplies and materials	61,732
7408	Environmental activities	Capital outlay	35,522
7409	Classroom conversions	Capital outlay	11,337
7410	Classroom upgrades	Capital outlay	41,575
7411	Elevator upgrades	Capital outlay	61,202
7412	Restroom upgrades	Capital outlay	23,885
7414	Technology infrastructure	Capital outlay	486,500
7415	Asbestos abatement	Capital outlay	163,334
7416	HVAC/Electrical upgrade	Capital outlay	2,249,733
7417	Walkways/Lighting upgrades	Capital outlay	51,429
7419	Landscaping	Capital outlay	24,566
			<u>\$ 10,065,503</u>

**PASADENA AREA COMMUNITY COLLEGE DISTRICT
MEASURE P GENERAL OBLIGATION BOND**

**AGREED-UPON PROCEDURES REPORT
JUNE 30, 2010**

Agreed-Upon Procedure (D)*Procedure*

Prepare a schedule of all projects started and/or completed since the inception of the bond and the total costs incurred from inception of the bond.

Results

Cost Center	Project Description	Category of Expense	Expenditures to Date	Status to Date
7400	Bond - cost of issue and other expense	Interest and other charges	\$ 517,158	Ongoing
7401	Construction management	Supplies and materials	6,858	Ongoing
		Services and operating expenses	198,395	Ongoing
		Capital outlay	2,848,291	Ongoing
7402	Parking structure	Supplies and materials	498	Completed
		Services and operating expenses	318,887	Completed
		Capital outlay	23,666,833	Completed
7403	Industrial technology building	Supplies and materials	22,040	Ongoing
		Services and operating expenses	80,774	Ongoing
		Capital outlay	25,318,593	Ongoing
7404	Arts building	Classified salary expense	59,014	Ongoing
		Classified benefit expense	5,597	Ongoing
		Supplies and materials	813	Ongoing
		Services and operating expenses	5,900	Ongoing
		Capital outlay	4,805,542	Ongoing
7405	Campus center	Supplies and materials	15,450	Ongoing
		Services and operating expenses	73,163	Ongoing
		Capital outlay	31,729,227	Ongoing
7406	Reconstruction upgrades	Capital outlay	103,533	Ongoing
7408	Environmental impact report	Capital outlay	190,517	Ongoing
7409	Classroom conversions	Capital outlay	118,189	Ongoing
7410	Classroom upgrades	Capital outlay	307,978	Ongoing
7411	Elevator upgrades	Capital outlay	162,892	Ongoing
7412	Restroom upgrades	Capital outlay	79,930	Ongoing
7413	Access compliance to C building	Capital outlay	10,224	Ongoing
7414	Technology infrastructure	Classified salary expense	75,783	Ongoing
		Classified benefit expense	22,038	Ongoing
		Capital outlay	3,814,360	Ongoing
7415	Asbestos abatement	Capital outlay	844,103	Ongoing
7416	HVAC/Electrical upgrades	Capital outlay	3,429,358	Ongoing
7417	Walkways/Lighting upgrades	Capital outlay	673,746	Ongoing
7418	Waterproofing	Capital outlay	840,908	Ongoing
7419	Landscaping	Capital outlay	24,566	Ongoing
			<u>\$100,371,158</u>	

PASADENA AREA COMMUNITY COLLEGE DISTRICT
MEASURE P GENERAL OBLIGATION BOND

AGREED-UPON PROCEDURES REPORT
JUNE 30, 2010

Agreed-Upon Procedure (E)

Procedure

Calculate the balance available for expenditure of bond proceeds related to the approved projects within the bond project fund at June 30, 2010. This will include a review of the open contracts, notices of completion and retention balances, and analysis of the work in process.

Results

As stated in the District's unaudited financial statements (CCFS 311) as of June 30, 2010, the total expenditures from the Measure P Bond Fund was \$13,362,410 for fiscal year 2009-2010 totaling \$103,668,065 to date. In the audited financial report, a reclassification was recorded to reduce Proceeds and Interest Expenditures equally for proceeds that were deposited in the Debt Service Fund. Total reclassification was \$3,296,907. This entry had no effect on the fund balance of the bond project fund. Bond proceeds in the amount of \$161,989,510, in addition to interest revenue earned to date of \$11,055,798 and local revenue of \$191,445, provide \$69,568,688 from initial issuance available for future expenditures.

<u>Year</u>	<u>Income</u>	<u>Amount</u>
2002	Net Bond proceeds	\$ 33,000,000
2002-2003-2004	Interest earned	322,196
	Other local revenue	1,441
2004-2005	Interest earned	302,439
	Other local revenue	2
2005-2006	Interest earned	334,129
2005-2006	Other local revenue	190,002
2006-2007	Net Bond proceeds	73,407,424
2006-2007	Interest earned	2,982,447
2007-2008	Interest earned	4,857,545
2008-2009	Interest earned	1,436,875
2009-2010	Net Bond proceeds	52,285,179
	Interest earned	820,167
	Subtotal - Revenue	<u>169,939,846</u>
<u>Year</u>	<u>Expenditures</u>	<u>Amount</u>
2002-2003	Expenditures	1,335,054
2003-2004	Expenditures	14,996,725
2004-2005	Expenditures	8,118,688
2005-2006	Expenditures	1,672,599
2006-2007	Expenditures	3,779,605
2007-2008	Expenditures	19,854,239
2008-2009	Expenditures	40,548,745
2009-2010	Expenditures	10,065,503
	Subtotal - Expenditures	<u>100,371,158</u>
	Remaining Balance at June 30, 2010	<u><u>\$ 69,568,688</u></u>

PASADENA AREA COMMUNITY COLLEGE DISTRICT
MEASURE P GENERAL OBLIGATION BOND

AGREED-UPON PROCEDURES REPORT
JUNE 30, 2010

Agreed-Upon Procedure (F)

Procedure

Review minutes of the Measure P Citizen's Oversight Committee for compliance with requirements of Proposition 39 related to oversight and monitoring of the bond projects.

Results

We reviewed the minutes of the Measure P Citizen's Oversight Committee meetings held throughout the year ended June 30, 2010. We noted no instances of noncompliance with the requirements of Proposition 39.