

**SAN MATEO COUNTY
COMMUNITY
COLLEGE DISTRICT**

**CAPITAL OUTLAY –
BOND FUND
PERFORMANCE REPORT**

JUNE 30, 2006



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

Measure C Citizens' Oversight Committee
San Mateo County Community College District
San Mateo, California

We have performed the agreed-upon procedures listed below, which were agreed to by the management of the San Mateo County Community College District and the Measure C Citizen's Oversight Committee, solely to review at least 25% of the expenditures of the 2001 & 2005 General Obligation Bond funds for the period of July 1, 2005 through June 30, 2006 for the purpose of verifying if the use of the funds is within the scope of the published materials specifying the intended use of bond funds. We used election documents, District resolutions, the master plan and the revised master plan as guidance for the intended use of the funds. For any expenditures in question, we recommended that the District obtain the opinion of legal counsel and we informed this committee as to the issues. Management is responsible for San Mateo County Community College District's compliance with those requirements. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those specified parties in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below for either the purpose for which this report has been requested or for any other purpose.

Financial Summary

1. The 2001 general obligation bonds were authorized at an election of the registered voters of the District held on November 6, 2001. The bonds were authorized at an issuance of \$207,000,000 principal amount for the purpose of financing the addition and modernization of school facilities. The 2001 bonds were issued in three series with the final series being issued in April 2006 in the principal amount of \$40,124,660. The 2005 general obligation bond funds in the amount of \$468,000,000 were authorized at an election of the registered voters of the District held on August 9, 2005. The first series of the 2005 bonds was issued in April 2006 and in the principal amount of \$135,429,395.
2. Total expenditures and encumbrances through June 30, 2006, were \$210,721,508.

3. An analysis of expenditures is as follows:

Expenditures	Prior Periods	7/1/05 to 6/30/2006	Total
Books and supplies	\$ 964,891	\$ 3,481,062	\$ 4,445,953
Services and operating expenses	8,401,012	6,340,291	14,741,303
Capital outlay	60,860,468	53,081,114	113,941,582
Retentions on construction	2,247,657	-	2,247,657
Land purchase	16,440,348	-	16,440,348
Total expenditures	88,914,376	62,902,467	151,816,843
Other uses of funds			
Issuance costs	1,903,327	-	1,903,327
Transfer to other funds	2,247,142	32,252,507	34,499,649
Total expenditures and other uses	\$ 93,064,845	\$ 95,154,974	188,219,819
Contract commitments, June 30, 2006			22,501,689
Total expenditures and commitments			\$ 210,721,508

4. Available unspent funds from the first series of bonds as of June 30, 2006 are:

	Prior Periods	7/1/05 to 6/30/2006	Total
Net available proceeds for construction	\$ 168,070,351	\$ 144,256,213	\$ 312,326,564
Bond premium	-	1,812,657	1,812,657
Proceeds for escrow fund deposit - COP defeasance	-	31,297,842	31,297,842
Total other financing sources	168,070,351	177,366,712	345,437,063
Contributions from other funds	110,000	-	110,000
Interest earned	5,592,697	272,970	5,865,667
Total revenues received	\$ 173,773,048	\$ 177,639,682	351,412,730
Total expenditures and commitments			(210,721,508)
Amount available			\$ 140,691,222

Agreed Upon Procedures Performed

1. Verify that the expenditure of funds was accounted for separately in the accounting records to allow for accountability.
2. Verify that the net funds from the sale of the General Obligation Bonds were deposited in total into the District's accounts by obtaining settlement statement for the new bond issue and verifying amounts deposited into the building and bond interest and redemption funds.
3. Select 25% 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 plan. See supplemental information for list of expenditures reviewed.

4. Verify that the State and District policies were followed in the awarding of bids and expenditure of the funds.

Results of Procedures

1. The general obligations bond fund expenditures were accounted for separately in the capital outlay - bond fund of the District.
2. The net proceeds from the sale of the general obligation bonds during the year were deposited into the capital outlay - bond fund.
3. Our review of the expenditures for the period July 1, 2005, through June 30, 2006, did not reveal any items that were paid from the general obligation bond funds that did not comply with the purpose of the Bonds as approved by the registered voters of the District on November 6, 2001 and August 9, 2005. We did not request that management of the District consult with legal counsel on any expenditures during the current period.
4. Our review of the policies over awarding of contracts revealed no exceptions to the policies of the District or the requirements of the State as they relate to awarding of contracts. Our review of the District policies over disbursement of funds revealed no exceptions to the disbursement policies of the District.

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 information and use of the San Mateo County Community College District and the Measure A and Measure C Citizen's Fiscal Oversight Committee and is not intended to be and should not be used by anyone other than those specified parties.

Pleasanton, California
October 6, 2006

SAN MATEO COUNTY COMMUNITY COLLEGE

**2001 AND 2005 BONDS
INVOICES SELECTED
FOR THE YEAR ENDED JUNE 30, 2006**

Invoice Date	Vendor/Description	Item Number in Exhibit A of Election Doc	Item Number in Facilities Project List	Amount	Location Coding	District wide 490xx and 49409	Canada 49,300	CSM 494xx	Skyline 492xx
2001 Bond									
I0604865 10/31/2005	Hensel Phelps Construction Co Skyline bldg 6/7 design build project	3, 4,15	C,T1	\$ 1,003,814	49203-1149-6220-715003	\$ -	\$ -	\$ -	\$ 1,003,814
I0612207 10/31/2005	Hensel Phelps Construction Co Skyline bldg 6/7 design build project	3, 4,15	C,T1	1,079,747	49203-1149-6220-715003	-	-	-	1,079,747
I0611499 10/31/2005	Hensel Phelps Construction Co Skyline bldg 6/7 design build project	3, 4,15	C,T1	960,331	49203-1149-6220-715003	-	-	-	960,331
I0610323 10/31/2005	Hensel Phelps Construction Co Skyline bldg 6/7 design build project	3, 4,15	C,T1	1,019,201	49203-1149-6220-715003	-	-	-	1,019,201
I0607530 10/31/2005	Hensel Phelps Construction Co Skyline bldg 6/7 design build project	3, 4,15	C,T1	1,122,980	49203-1149-6220-715003	-	-	-	1,122,980
I0605463 12/12/2005	Hensel Phelps Construction Co Skyline bldg 6/7 design build project	3, 4,15	C,T1	1,059,216	49203-1149-6220-715003	-	-	-	1,059,216
I0604880 11/22/2005	Hensel Phelps Construction Co Skyline bldg 6/7 design build project	3, 4,15	C,T1	1,069,350	49203-1149-6220-715003	-	-	-	1,069,350
I0604865 11/22/2005	Hensel Phelps Construction Co skyline bldg 6/7 design build project	3, 4,15	C,T1	1,003,814	49203-1149-6220-715003	-	-	-	1,003,814
I0602903 9/30/2005	Hensel Phelps Construction Co skyline bldg 6/7 design build project	3, 4,15	C,T1	773,034	49203-1149-6220-715003	-	-	-	773,034
				9,091,487					

SAN MATEO COUNTY COMMUNITY COLLEGE

**2001 AND 2005 BONDS
INVOICES SELECTED
FOR THE YEAR ENDED JUNE 30, 2006**

Invoice Date	Vendor/Description	Item Number in Exhibit A of Election Doc	Item Number in Facilities Project List	Amount	Location Coding	District wide 490xx and 49409	Canada 49,300	CSM 494xx	Skyline 492xx
I0610285	Chevon Energy Solutions Company	9,10	T6	105,927	49001-1149-6210-715000	105,927	-	-	-
3/23/2006	Districtwide Energy Efficiency Project/DW zone control								
I0607672	Chevon Energy Solutions Company	9,10	T6	150,822	49001-1149-6210-715000	150,822	-	-	-
1/19/2006	Districtwide Energy Efficiency Project/DW zone control								
I0604871	Chevon Energy Solutions Company	9,10	T6	125,088	49001-1149-6210-715000	125,088	-	-	-
11/22/2005	Districtwide Energy Efficiency Project/DW zone control								
I0610285	Chevon Energy Solutions Company	9,10	T6	119,748	49001-1149-6210-715004	119,748	-	-	-
3/23/2005	Districtwide Energy Efficiency Project/DW zone control								
I0603166	Chevon Energy Solutions Company	9,10	T6	202,816	49001-1149-6210-715004	202,816	-	-	-
10/5/2005	Districtwide Energy Efficiency Project/DW zone control								
				<u>704,402</u>					
I0601773	Swinerton Management & Consulting	4-9	T1-6	87,071	49004-1149-5690-715003	87,071	-	-	-
9/12/2005	Capital improvement program								
I0608377	Swinerton Management & Consulting	4-9	T1-6	81,000	49001-1149-5690-715000	81,000	-	-	-
2/8/2006	Capital improvement program								
I0601773	Swinerton Management & Consulting	4-9	T1-6	101,770	49004-1149-5690-715000	101,770	-	-	-
9/12/2005	Capital improvement program								
				<u>269,841</u>					
I0607425	Siemens Communications, Inc	30	D	198,724	49015-1149-6450-715000	198,724	-	-	-
1/12/2006	Migration/Software Upgrade/ Public Sector								
I0605627	Siemens Communications, Inc	30	IIC	109,119	49015-1149-6450-715000	109,119	-	-	-
12/13/2005	Data Network/Public Sector								
I0605392	Siemens Communications, Inc	30	IIC	115,743	49015-1149-6450-715000	115,743	-	-	-
12/9/2005	Migration/Software Upgrade/ Public Sector								
I0603225	Siemens Communications, Inc	30	IIC	160,841	49015-1149-6450-715000	160,841	-	-	-
10/7/2005	Migration/Software Upgrade/ Public Sector								
I0603119	Quest Media & supplies, inc	30	IIC	101,162	49015-1149-6450-715000	101,162	-	-	-
10/4/2005	Cisco maintenance renewal								
I0601352	Siemens Communications, Inc	30	IIC	652,715	49015-1149-6450-715000	652,715	-	-	-
8/25/2005	Data Network/Public Sector								
I0601349	Siemens Communications, Inc	30	IIC	482,524	49015-1149-6450-715000	482,524	-	-	-
8/25/2005	Icn Training								
I0601354	Siemens Communications, Inc	30	IIC	552,357	49015-1149-6450-715000	552,357	-	-	-
8/25/2005	Data Network/Public Sector								
				<u>2,373,186</u>					

SAN MATEO COUNTY COMMUNITY COLLEGE

**2001 AND 2005 BONDS
INVOICES SELECTED
FOR THE YEAR ENDED JUNE 30, 2006**

Invoice Date	Vendor/Description	Item Number in Exhibit A of Election Doc	Item Number in Facilities Project List	Amount	Location Coding	District wide 490xx and 49409	Canada 49,300	CSM 494xx	Skyline 492xx
I0603736 10/24/2005	Keenan & Associates Hartford, premium-builder's risk	1-37	A-T	27,843	49303-1149-5410-715003	-	27,843	-	-
I0601914 8/10/2005	Keenan & Associates Zurich N. America- premium-builders insurance	1-37	A-T	988,212	49303-1149-5410-715003	-	988,212	-	-
I0607539 1/17/2006	Lowney Associates Lab, office, mass grading, meeting, observation, test	26	IR	29,199	49303-1149-5410-715003	-	29,199	-	-
I0610839 4/7/2006	TRC Lowney footing, testing, observe, test	26	IR	32,617	49303-1149-5410-715003	-	32,617	-	-
				<u>1,077,871</u>					
I0610839 4/7/2006	TRC Lowney Geotechnical services	26	IR	32,617	49303-1149-6213-715003	-	32,617	-	-
I0610383 3/24/2006	Signet Testing Laboratories, Inc sampling, tagging, inspection	26	IR	22,327	49303-1149-6213-715003	-	22,327	-	-
I0608028 1/31/2005	Signet Testing Laboratories, Inc concrete sampling	26	IR	15,699	49303-1149-6213-715003	-	15,699	-	-
I0607539 1/17/2006	Lowney associates Geotechnical services	26	IR	29,199	49303-1149-6213-715003	-	29,199	-	-
				<u>99,841</u>					
I0610344 3/24/2006	Noll & Tam building 16/17/18 modernization	1-3	A-C	33,284	49320-1149-6211-715000	-	33,284	-	-
I0603965 10/28/2005	Noll & Tam building 16/17/18 modernization	1-3	A-C	57,710	49320-1149-6211-715000	-	57,710	-	-
I0603758 10/24/2005	Noll & Tam add'l security engineer services	15	G	23,400	49320-1149-6211-715000	-	23,400	-	-
I0603740 10/21/2005	Noll & Tam building 16/17/18 modernization	1-3	A-C	21,001	49320-1149-6211-715000	-	21,001	-	-
				<u>135,395</u>					

SAN MATEO COUNTY COMMUNITY COLLEGE

**2001 AND 2005 BONDS
INVOICES SELECTED
FOR THE YEAR ENDED JUNE 30, 2006**

Invoice Date	Vendor/Description	Item Number in Exhibit A of Election Doc	Item Number in Facilities Project List	Amount	Location Coding	District wide 490xx and 49409	Canada 49,300	CSM 494xx	Skyline 492xx
I0603167 10/5/2005	Chevron Energy Solutions Company performance based energy savings agreement	4-9	T1-6	260,536	49303-1149-6213-715003	-	260,536	-	-
I0610287 3/23/2006	Chevron Energy Solutions Company districtwide energy efficiency project	4-9	T1-6	39,142	49325-1149-6210-715000	-	39,142	-	-
				<u>299,678</u>					
I0614083 6/16/2006	Atlas/Pellizzari Electric Inc districtwide physical access controls	20	L	238,320	49326-1149-6450-715004	-	238,320	-	-
I0614084 6/16/2006	San Mateo Com. Dist districtwide physical access controls	20	L	26,480	49326-1149-6450-715004	-	26,480	-	-
				<u>264,800</u>					
I0604870 11/22/2005	Robert A. Bothman landscaping	21	M	29,902	49317-1149-6120-715000	-	29,902	-	-
I0603630 10/19/2005	Robert A. Bothman landscaping	21	M	27,380	49317-1149-6120-715000	-	27,380	-	-
				<u>57,281</u>					
I0607749 1/23/2006	McCarthy Building Companies design, construct, mobilization,	1-3	A-E	1,157,021	49403-1149-6210-715003	-	-	1,157,021	-
I0605383 9/9/2005	McCarthy Building Companies design, construct, mobilization,	1-3	A-E	1,325,060	49403-1149-6210-715003	-	-	1,325,060	-
I0604711 11/17/2005	McCarthy Building Companies design, construct, mobilization,	1-3	A-E	1,283,855	49403-1149-6210-715003	-	-	1,283,855	-
I0603520 10/17/2005	McCarthy Building Companies design, construct, mobilization,	1-3	A-E	1,566,641	49403-1149-6210-715003	-	-	1,566,641	-
I0603039 10/3/2005	McCarthy Building Companies design, construct, mobilization,	1-3	A-E	1,150,196	49403-1149-6210-715003	-	-	1,150,196	-
I0601182 8/22/2005	McCarthy Building Companies design, construct, mobilization,	1-3	A-E	1,848,503	49403-1149-6210-715003	-	-	1,848,503	-
I0610361 10/3/2005	McCarthy Building Companies design, construct, mobilization,	1-3	A-E	348,863	49403-1149-6210-715003	-	-	348,863	-
	Total invoices tested for 2001 bond			<u>23,053,921</u>		<u>3,347,428</u>	<u>2,082,767</u>	<u>8,680,139</u>	<u>9,091,487</u>

SAN MATEO COUNTY COMMUNITY COLLEGE

**2001 AND 2005 BONDS
INVOICES SELECTED
FOR THE YEAR ENDED JUNE 30, 2006**

Invoice		Item	Item			District	Canada	CSM	Skyline
Date	Vendor/Description	Number in Exhibit A of Election Doc	Number in Facilities Project List	Amount	Location Coding	490xx and 49409	49,300	494xx	492xx
I06L2048	Steinberg Architects	7&24	7&24	430,000	47001-1149-6211-715000	430,000	-	-	-
6/16/2006	2006 Facilities Master Plan for three colleges								
I06L2278	Bayview Environmental Service	2	2	88,685	47201-1149-6210-715000	-	-	-	88,685
6/26/2006	Skyline Bldg 3 of Gym Floor Replacement								
I06L2136	Noll & Tam	34&35	34&35	124,924	47302-1149-6211-715000	-	124,924	-	-
6/26/2006	Can Bldg 16/17/18 Modernization								
I06L4080	Noll & Tam	32	32	20,895	47401-1149-6211-715000	-	-	20,895	-
6/14/2006	CSM Bldg 21-29 Demolition Architectural Service								
n/a	Bank of New York Trust Company	33	33	31,297,842		31,297,842	-	-	-
4/11/2006	Deposit to Escrow fund to payoff COP								
	Total invoices tested for 2005 bond			<u>31,962,346</u>		<u>31,727,842</u>	<u>124,924</u>	<u>20,895</u>	<u>88,685</u>
	Total tested for both 2001 and 2005 bond funds			<u>55,016,267</u>		<u>35,075,270</u>	<u>2,207,691</u>	<u>8,701,034</u>	<u>9,180,172</u>
	Total 05-06 Expenditures per GL			<u>95,154,974</u>		<u>41,419,683</u>	<u>5,505,071</u>	<u>19,694,575</u>	<u>26,164,464</u>
	Percent Tested			<u>58%</u>		<u>85%</u>	<u>40%</u>	<u>44%</u>	<u>35%</u>