

**MARIPOSA COUNTY UNIFIED SCHOOL DISTRICT
COUNTY OF MARIPOSA
MARIPOSA, CALIFORNIA
BUILDING FUND (MEASURE L)
FINANCIAL AND
PERFORMANCE AUDIT**

June 30, 2019

MARIPOSA COUNTY UNIFIED SCHOOL DISTRICT
MARIPOSA COUNTY
MARIPOSA, CALIFORNIA

June 30, 2019

GOVERNING BOARD

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Wayne Forsythe	President	January 2021
Steve Bacus	Vice President	January 2021
Kathy Chappell	President Pro-Tempore	January 2023
Bob Collins	Member	January 2021
Judy Eppler	Member	January 2023

ADMINISTRATION

Robin Hopper	Superintendent- On leave effective 4/18/19
Jeff Aranguena	Interim Superintendent- Effective 4/18/19
Norma Dwyer	Chief Business Officer
Celeste Azevedo	Assistant Superintendent of Educational Services

CITIZENS' OVERSIGHT COMMITTEE

<u>Name</u>	<u>Office</u>
Kris Castro	Chair
Nicole Little	Vice Chair
Lloyd Sheetz	Secretary
Sue Overstreet	Member
Lisa Edelheit	Member
Christy Wall	Member
Carol Ream	Member

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FINANCIAL AUDIT



INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees and the
Citizens' Bond Oversight Committee
Mariposa County Unified School District

We have audited the accompanying financial statements of Mariposa County Unified School District's Building Fund (Measure L), as of and for the year ended June 30, 2019, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mariposa County Unified School District's Measure L General Obligation Bond activity, as of June 30, 2019, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

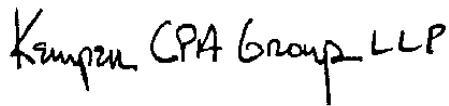
Emphasis of Matter

As discussed in Note 1, the financial statements present only Building Fund specific to Measure L and do not purport to, and do not present fairly the financial position of Mariposa County Unified School District, as of June 30, 2019, and the changes in its financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 9, 2020, on our consideration of the District's Building Fund (Measure L) internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters for the District's Building Fund (Measure L). 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 internal control over financial reporting or on compliance for the District's Building Fund (Measure L). That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's Building Fund (Measure L) internal control over financial reporting and compliance for the Measure L General Obligation Bond activity.

In accordance with Article XIII A, Section 1(b)(3)(C) of the California Constitution, we have also issued our report dated January 9, 2020 on our consideration of Mariposa County Unified School District's performance of the previously stated requirements applicable to Mariposa County Unified School District's Measure L bond proceeds. The purpose of that report is to describe the scope of our testing of Measure L proceeds and the result of that testing. That report is an integral part of an audit performed in accordance with Article XIII A, Section 1(b)(3)(C) of the California Constitution in considering Mariposa County Unified School District's performance of the previously stated requirements.



KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants
Merced, California
January 9, 2020

MARIPOSA COUNTY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE L)
BALANCE SHEET
JUNE 30, 2019

<u>Assets</u>	
Cash in county treasury	<u>\$ 15,096,735</u>
Total assets	<u><u>\$ 15,096,735</u></u>
 <u>Liabilities and fund balance</u>	
Liabilities:	
Accounts payable	<u>\$ 46,768</u>
Total liabilities	<u>46,768</u>
Fund balance:	
Assigned - new construction and modernization	<u>15,049,967</u>
Total fund balance	<u>15,049,967</u>
Total liabilities and fund balance	<u><u>\$ 15,096,735</u></u>

The notes to the financial statements are an integral part of this statement

MARIPOSA COUNTY UNIFIED SCHOOL DISTRICT
 BUILDING FUND (MEASURE L)
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Expenditures:	
Facility acquisition and construction:	
Capital outlay	\$ 1,829,631
Services and other operating expenditures	
Professional/consulting services	321,578
Total expenditures	<u>2,151,209</u>
Other financing sources	
Bond proceeds	9,709,025
Total other financing sources	<u>9,709,025</u>
Excess of revenues and other financing sources over expenditures	7,557,816
Fund balances, July 1, 2018	<u>7,492,151</u>
Fund balances, June 30, 2019	<u><u>\$ 15,049,967</u></u>

The notes to the financial statements are an integral part of this statement

MARIPOSA COUNTY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE L)
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Mariposa County Unified School District conform to accounting principles generally accepted in the United States of America as applicable to governments and to general practice within California School Districts. The District accounts for its financial transactions in accordance with policies and procedures of the California Department of Education’s *California School Accounting Manual*. The activities of the Measure L Bond are recorded in the District’s Building Fund. The accounting policies of the Building Fund conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies.

A. Financial Reporting Entity

On November 8, 2016, the District voters authorized \$24.0 million in General Obligation Bonds (Measure “L”) for the purpose of financing the modernization and construction of school facilities within the District. The measure required a minimum 55% majority vote for passage. In response, an advisory committee to the District’s Governing Board as Superintendent, the Citizens’ Bond oversight Committee, was established. The committee’s oversight goals include ensuring compliance with conditions of Measure “L”.

The financial statements include the activity and balances of the Measure L General Obligations Bond only. The activities of the Measure L General Obligation Bond are recorded in the District’s Building Fund (Fund 21). These financial statements are not intended to present fairly the financial position and results of operations on the District in compliance with accounting principles generally accepted in the United States of America.

B. Fund Accounting

The operations of the Building Fund are accounted for in a separate set of self-balancing accounts that comprise the assets, liabilities, fund balance, revenues and expenditures. Resources are allocated for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

C. Basis of Accounting

The Building Fund is a governmental fund reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e. both measurable and available. “Available” means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred except for principal and interest on general long-term debt, and claims and judgments which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in the governmental funds. Proceeds of general long-term debt and financing from capital leases are reported as other financing sources.

MARIPOSA COUNTY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE L)
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all government funds. By state law, the District's governing board must adopt a budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements.

These budgets are revised by the District's governing board during the year to give consideration to unanticipated income and expenditures.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

E. Encumbrances

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated as of June 30.

F. Fund Balances

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Nonspendable: Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories and prepaid assets.

Restricted: Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provision or by enabling legislation.

MARIPOSA COUNTY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE L)
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

Committed: The District's highest decision-making level of authority rests with the District's Board. Fund balance is reported as committed when the Board passes a resolution that places specified constraints on how resources may be used. The Board can modify or rescind a commitment of resources through passage of a new resolution.

Assigned: Resources that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent may be expressed by either the Board, committees (such as budget or finance), or officials to which the Board has delegated authority.

Unassigned: Unassigned fund balance represents fund balance that has not been restricted, committed, or assigned and may be utilized by the District for any purpose. When expenditures are incurred, and both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first, then unrestricted resources in the order of committed, assigned, and then unassigned, as they are needed.

G. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 2 – CASH AND INVESTMENTS

Cash in County Treasury

In accordance with *Education Code* Section 41001, the District maintains all of its cash from the bond proceeds in the Mariposa County Treasury as part of the common investment pool. The pooled funds are carried at cost which approximates fair value. Interest earned is deposited annually to participating funds. Any investment losses are proportionately shared by all funds in the pool.

Because the District's deposits are maintained in a recognized pooled investment funds under the care of a third party and the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial credit risk classifications is required.

MARIPOSA COUNTY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE L)
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 – CASH AND INVESTMENTS (continued)

In accordance with applicable state laws, the County Treasurer may invest in derivative securities with the State of California. However, at June 30, 2019, the County treasurer has represented that the Pooled Investment Fund contained no derivatives or other investments with similar risk profiles.

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 rate. As of the year end, the weighted average maturity of the investments contained in the County Treasury investment pool was approximately twelve months.

Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools. The County of Mariposa issues a financial report that includes custodial credit risk disclosures for the Cash in County Treasury. The report may be obtained by writing to Mariposa County Treasurer, 4982 10th Street, Mariposa, California 95338.

NOTE 3 – SUBSEQUENT EVENTS

Subsequent to June 30, 2019, the District entered into a contract with Keith William Excavation for the Woodland Elementary School Septic System and Irrigation repair. The total amount of the contract is \$545,107.

Subsequent to June 30, 2019, the District entered into a contract with Caleb Chaney Painting and Roofing for siding at Greeley Hill. The total amount of the contract is \$163,890.

Subsequent events have been evaluated through January 9, 2020, the date these financial statements have been made available to be issued. There were no subsequent events identified by management which would require disclosure in the financial statements.

NOTE 4 – OVERSIGHT COMMITTEE

Education Code Section 15282(a) states that the Citizen's Oversight Committee must consist of at least seven members and must be comprised of the following members: one member shall be active in a business organization representing the business community located within the district, one member shall be active in a senior citizen's organization, one member shall be active in a bona fide taxpayer's organization, one member shall be the parent or guardian of a child enrolled in the district, and one member shall be both a parent or guardian of a child enrolled in the district and active in a parent-teacher organization, such as the Parent Teacher Association or schoolsite council.

SUPPLEMENTARY INFORMATION

MARIPOSA COUNTY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE L)

RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH AUDITED
BUILDING FUND (MEASURE L)
JUNE 30, 2019

The audited financial statements for all funds were in agreement with the Annual Financial and Budget Report for the fiscal year ended June 30.

This schedule provides the information necessary to reconcile the fund balance of the Building Fund (Measure L) reported on the Unaudited Actual Financial Report to the audited financial statements.

OTHER INDEPENDENT AUDITORS' REPORTS



INDEPENDENT AUDITOR’S 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*

To the Board of Trustees and the
Citizens’ Bond Oversight Committee
Mariposa County Unified School District

We have audited, in accordance with the 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, the financial statements of the Mariposa County Unified School District’s Building Fund (Measure L), as of and for the year ended June 30, 2019, and the related notes to the financial statements, and have issued our report thereon dated January 9, 2020.

As discussed in Note 1, the financial statements present only the Building Fund specific to Measure L, and are not intended to present fairly the financial position and changes in financial position of Mariposa County Unified School District in accordance with accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Mariposa County Unified School District’s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Mariposa County Unified School District’s internal control. Accordingly, we do not express an opinion on the effectiveness of Mariposa County Unified School District’s internal control.

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. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

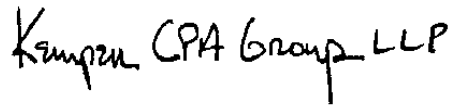
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Mariposa County Unified School District's Building Fund specific to Measure L financial statements are free from 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 audit, 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*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Kemper CPA Group LLP". The signature is written in a cursive, slightly slanted style.

Kemper CPA Group LLP
Certified Public Accountants and Consultants
Merced, California
January 9, 2020

FINDINGS AND RECOMMENDATIONS SECTION

MARIPOSA COUNTY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE L)
SCHEDULE OF FINDINGS AND RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Financial Statement Findings

There are no financial statement findings or responses for the fiscal year ended June 30, 2019.

Prior Year Financial Statement Findings

There are no financial statement audit findings for the fiscal year ended June 30, 2018.

PERFORMANCE AUDIT



INDEPENDENT AUDITOR'S REPORT ON PERFORMANCE

To the Board of Trustees and the
Citizens Bond Oversight Committee
Mariposa County Unified School District

We were engaged to conduct a performance audit of the Mariposa County Unified School District Building Fund Measure L for the year ended June 30, 2019.

We conducted this performance audit in accordance with the standards applicable to performance audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient appropriate evidence to provide a reasonable basis for our conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our audit objectives.

Our audit was limited to the objectives listed within the report which includes determining if Mariposa County Unified School District's compliance with the performance requirements as referred to in Proposition 39 and outlined in Article X111A, Section 1(b)(3)(C) of the California Constitution. Management is responsible for the District's compliance with those requirements.

In planning and performing our performance audit, we obtained an understanding of the District's internal control in order to determine if the internal controls were adequate to help ensure the District's compliance with the requirement of Proposition 39 and outlined in Article X111A, Section 1(b)(3)(C) of the California Constitution, but not for the purpose of expressing an opinion of the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

The results of our tests indicated that the net proceeds from the current year bond issuance were deposited and that Mariposa County Unified School District expended Measure L General Obligation Bond Funds for the year ended June 30, 2019, only for the specific projects developed

by the District's Board of Trustees, and approved by the voters in accordance with the requirements of Proposition 39, as specified by Article X111A, Section 1(b)(3)(C) of the California Constitution.

Kemper CPA Group LLP

KEMPER CPA GROUP LLP
Certified Public Accountants and Consultants
Merced, California
January 9, 2020

MARIPOSA COUNTY UNIFIED SCHOOL DISTRICT
PERFORMANCE AUDIT
JUNE 30, 2019

Authority for Issuance

The general obligation bonds associated with Measure L were issued pursuant to the Constitution and laws of the State of California (the State), including the provisions of Chapters 1 and 1.5 of Part 10 of the California Education Code, and other applicable provisions of law. The bonds are authorized by a resolution adopted by the Board of Trustees on June 16, 2016.

The District received authorization from an election held on November 8, 2016 to issue bonds of the District in an aggregate principal amount not to exceed \$24,000,000 to finance school facilities projects as specified in the measure approved by eligible voters within the District. The proposition required approval by at least 55 percent of the votes cast by eligible voters within the District (the 2016 Authorization). The bonds represent the first series of the authorized bonds to be issued under the 2016 Authorization.

The District issued Series A bonds on March 16, 2017 in the amount of \$8,500,000, and Series B bonds on November 8, 2018 in the amount of \$9,500,000.

Purpose of Issuance

The general obligation bond funds of the District would be used to improve the quality of education with funding that cannot be taken by the State; repair/replace leaky roofs; upgrade deteriorating plumbing and sewer systems; update inadequate electrical systems; replace outdated heating and air-conditioning systems; and modernize, construct and/or renovate classrooms, restrooms and school facilities.

Authority for the Audit

On November 7, 2000 California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by school districts, “for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities”, upon approval by 55% of the electorate. In addition to reducing the approval threshold from two-thirds to 55%, Proposition 39 and enacting legislation (AB 1908 and AB 2659) requires the following accountability measures as codified in Education code sections 15278-15282:

1. Requires that the proceeds from the sale of the bonds be used only for the purposes specified in Article AIIIA, Section 1(b)(3)(C) of the California Constitution, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

MARIPOSA COUNTY UNIFIED SCHOOL DISTRICT
PERFORMANCE AUDIT
JUNE 30, 2019

2. The school district must list the specific school facilities projects to be funded in the ballot measure, and must certify that the governing board has evaluated safety, class size reduction and information technology needs in developing the project list.
3. Requires the school district to appoint a citizen's oversight committee.
4. Requires the school district to conduct an annual independent financial audit and performance audit in accordance with the *Government Auditing Standards* issued by the Comptroller General of the United States of the bond proceeds until all of the proceeds have been expended.
5. Requires the school district to conduct an annual independent performance audit to ensure that the funds have been expended only on the specific projects listed.

Objective of the Audit

1. Determine whether expenditures charges to the Building Fund have been made in accordance with the bond project list approved by voters through the approval of Measure L.
2. Determine whether salary transactions, if any, charged to the Building Fund were in support of Measure L and not for District general administration or operations.

Scope of the Audit

The scope of our performance audit covered the period of July 1, 2018 to June 30, 2019. The population of expenditures tested included all object and project codes associated with the bond projects. The propriety of expenditures for capital projects and maintenance projects funded through other State or local funding sources, other than the proceeds of the bonds were not included within the scope of the audit. Expenditures incurred subsequent to June 30, 2019 were not reviewed or included within the score of our audit or in this report.

Procedures Performed

We obtained the general ledger reports prepared by the District for the fiscal year ended June 30, 2019 for the Building Fund (Measure L). Within the fiscal year audited, we obtained the actual invoices and other supporting documentation for a sample of expenditures to ensure compliance with the requirements of Article XIII A, Section 1(b)(3)(C) of the California Constitution and Measure L as to the approved bond projects list. We performed the following procedures:

MARIPOSA COUNTY UNIFIED SCHOOL DISTRICT
PERFORMANCE AUDIT
JUNE 30, 2019

Selected a sample of expenditures for the period starting July 1, 2018 and ending June 30, 2019, and reviewed supporting documentation to ensure that such funds were properly expended on the specific projects listed in the ballot text. Qualified expenditures include: Repair or replace leaky roofs; upgrade deteriorating plumbing and sewer systems; update inadequate electrical systems; replace outdated heating, ventilation and cooling systems; make health, safety and handicapped accessibility improvements; improve student access to computers and modern technology; improve energy-efficiency throughout the District; modernize, construct and/or renovate classrooms, restrooms and school facilities; renovate playfields for school and community use; replace existing wiring systems to meet current electrical and accessibility codes and increased capacity; Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades including site access, parking, staff and student restrooms, relocation of some existing electrical devices, drinking fountains, playground equipment, etc.; improve/construct/upgrade P.E. fields and facilities for school and community use; increase student safety by improving drop-off and pick-up areas; upgrade school site parking, utilities and grounds; Federal and State-mandated Occupational Safety & Health Administration (OSHA) safety upgrades including playground equipment replacement; abate and remove hazardous materials identified prior to or during construction; repair, replace and/or upgrade paved surfaces, turf, and other grounds to eliminate safety hazards and improve outside instructional areas, as per bond language.

1. Our sample included transactions totaling \$1,855,432 which represents 86.25% of the total expenditures of \$2,151,209.
2. We verified that funds from the Building Fund (Measure L) were generally expended for the construction, renovation, furnishing and equipping of District facilities constituting authorized bond projects.

Conclusion

The results of our tests indicated that, in all significant respects, Mariposa County Unified School District expended Measure L General Obligation Bond funds for the year ended June 30, 2019 only for the specific projects developed by the District's Governing Board, and approved by the voters, in accordance with the requirements of the published election materials specifying the intended use of Measure L General Obligation Bond proceeds. In addition, the results of our tests indicated that, in all significant respects, Mariposa County Unified School District did not expend any Measure L General Obligation Bond funds on salaries for the year ended June 30, 2019, in accordance with the requirements of the published election materials specifying the intended use of Measure L General Obligation Bond proceeds

FINDINGS AND RECOMMENDATIONS SECTION

MARIPOSA COUNTY UNIFIED SCHOOL DISTRICT
SCHEDULE OF PERFORMANCE AUDIT FINDINGS AND RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Performance Audit Findings

There are no performance audit findings or responses for the fiscal year ended June 30, 2019.

Prior Year Performance Audit Findings

There are no performance audit findings for the fiscal year ended June 30, 2018.