

AGENDA

OHLONE COMMUNITY COLLEGE DISTRICT CITIZENS' BOND OVERSIGHT COMMITTEE

DECEMBER 14, 2015

6:00 – 7:30 PM

LOCATION:

**BUILDING 7, ROOM 7101
43600 MISSION BOULEVARD
FREMONT, CA 94539
(510) 659-6000**

NOTICE is hereby given that the Citizens' Bond Oversight Committee appointed by the Governing Board of the Ohlone Community College District will hold a regularly scheduled meeting on **Monday, December 14, 2015 at 6:00 P.M.**, at 43600 Mission Blvd., Fremont, CA 94539, Rm. 7101. The order of business for the meeting is as follows:

	Topic	Presenter(s)	(I) Information (A) Action
1.	Approval of the Agenda	Chair	A
2.	Approval of the 03/16/2015 Meeting Minutes	Chair	A
3.	Presentation of the 09/28/2015 Meeting Notes	Chair	I
4.	Committee Members' Attendance Report	Chair	I
5.	Election of Chair and Vice Chair	Chair	A
6.	Communications from Committee Members	All	I
7.	Communications from Staff	Dr. George Kozitza	I
8.	Communications from the Public	Open	I
9.	Update on Member Recruitment	Dr. George Kozitza	I
10.	Review of the Annual Financial & Performance Audits	Christy White & Assoc.	A
11.	Review and Approval of the Annual Report 2014-15	Mike Chegini/Chair	A
12.	Measure G Financial Update	Ann Kennedy	A
13.	Measure G Project Update	Joel Heyne/Robert Dias	I
14.	Confirmation of Upcoming Meetings	Chair	A
15.	Topics for Next Meeting	Dr. George Kozitza	I

Upcoming Meetings:

Monday, March 14, 2016

Monday, June 13, 2016

Monday, September 12, 2016

Monday, December 19, 2016

**OHLONE COMMUNITY COLLEGE DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE MEMBERS**

	Name	Representing	Term	Expiration	Term Length
1.	Dan Chang, Ph.D.	Senior Citizen Org.	1	March 2016	2 years
2.	Andrea Francis*	At Large	3	Sept. 2016	2 years
3.	Brad Hatton	At Large	3	June 2016	2 years
4.	Luzviminda Macabitas	At Large	1	March 2016	2 years
5.	Frank Pirrone	Business Org.	3	June 2016	2 years
6.	Rakesh Sharma, Ph.D.**	Foundation	3	April 2017	2 years
7.		ASOC (Student)			
8.		Taxpayers Assoc.			

*Elected Chair at the December 15, 2014 meeting.

**Elected Vice-Chair at the December 15, 2014 meeting.

The election of Chair and Vice-Chair is an annual requirement.

Ohlone Community College District Bond Oversight Committee Attendance Record

P = Present, A = Absent

[illegible]

MINUTES

**OHLONE COMMUNITY COLLEGE DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE MEETING
MARCH 16, 2015**

**LOCATION:
FREMONT CAMPUS,
FREMONT PORTABLE 23 (FP-23)
43600 MISSION BOULEVARD
FREMONT, CA 94539
(510) 659-6000**

CITIZENS' BOND OVERSIGHT COMMITTEE, MEMBERS PRESENT

Andrea Francis	Representative, At Large
K.P. Ghoman	Representative, Associated Students of Ohlone College
Brad Hatton	Representative, At Large
Luzviminda Macabitas	Representative, At Large
Frank Pirrone	Representative, Business Organization
Dr. Rakesh Sharma	Representative, Foundation

CITIZENS' BOND OVERSIGHT COMMITTEE, MEMBERS ABSENT

Dr. Dan Chang	Representative, Senior Citizen Organization
VACANT	Representative, Tax Payers Association

OHLONE COMMUNITY COLLEGE DISTRICT, STAFF PRESENT

Dr. Gari Browning	President/Superintendent
Robert Dias	Interim, Bond Construction Director
Ron Little	Vice President, Administrative Services
April Merritt	Confidential Assistant to the V.P., Administrative Services
Farhad Sabit	Director Business Services

GUESTS

Mike Chegini	Gilbane/EIS, Communications Manager
Joel Heyne	Gilbane/EIS, Measure G Bond Senior Project Manager
Ann Kennedy	Gilbane/EIS, Measure G Bond Financial Manager

CALL TO ORDER

The Citizens' Bond Oversight Committee (CBOC) meeting was called to order by Committee Chair, Andrea Francis, at 6:01 PM. Roll call indicated all CBOC Committee Members present, except Dr. Dan Chang, who was absent.

I. APPROVAL OF AGENDA

Committee Member Dr. Rakesh Sharma made a motion to approve the agenda with the following change, reverse the order of Items 8 and 9 to allow the tour to be conducted earlier in the meeting. The motion was seconded by Committee Member Frank Pirrone. The motion was unanimously carried by all Committee Members present.

II. APPROVAL OF MINUTES

Committee Member Dr. Rakesh Sharma made a motion to approve the minutes from the previous meeting on December 15, 2014 with the following corrections: Call to Order roll call to reflect the three members absent, grammar correction in Section VIII and name correction in Section VIII. The motion was seconded by Committee Member Brad Hatton. The motion was unanimously carried by all Committee Members present.

III. COMMITTEE MEMBERS' ATTENDANCE REPORT

Vice President Ron Little presented the attendance report to the Committee. No concerns were expressed by the Committee.

IV. RECRUITMENT OF NEW MEMBERS

Committee Member Dr. Sharma confirmed that he would like to continue his membership on the Committee for a third term. Vice President Little informed the Committee of the recruitment activities for the Taxpayers' Association Representative. Committee Chair Andrea Francis will forward contact information about a prospective Taxpayers' Association Representative to the Administrative Services Office for further review.

V. COMMUNICATIONS FROM COMMITTEE MEMBERS

Dr. Rakesh Sharma: Things are moving well. It looks nice around campus.

Andrea Francis: The portables look nice.

VI. COMMUNICATIONS FROM STAFF

Vice President Little informed the Committee of Thomas Moore's resignation and introduced Mr. Robert Dias, Interim Bond Construction Director. Mr. Dias is a licensed architect who has significant Community College and Bond Management experience and will be at Ohlone in an interim capacity.

VII. COMMUNICATIONS FROM THE PUBLIC

No items were presented to the Committee.

VIII. MEASURE G PROJECT UPDATE/TOUR

Mr. Dias and Mr. Joel Heyne presented a Measure G project update to the Committee. Over the past eight months, construction documents were completed and submitted for review to DSA. The soft demolition phase began, and Swing Space was successfully implemented on both campuses. Construction is currently on schedule. Due to market changes, estimate changes and construction document detailing, the construction cost of the Academic Core Buildings project increased from \$119.3 Mil to \$130.4 Mil. A review of the systems engineering, site design and architectural design was able to lower the estimate to \$126.7 Mil.

Dr. Rakesh Sharma: Is there a third party guaranteeing that will be the price?

Joel Heyne: There will be areas where the cost could increase or decrease, such as unforeseen site conditions, owner changes and contractor allowance.

Dr. Rakesh Sharma: Does the price ever decrease?

Joel Heyne: Yes. The price can and does decrease.

Mr. Dias walked the Committee through design images of the Academic Core Buildings and South Parking Structure.

Andrea Francis: Are we using green, energy efficient glass?

Robert Dias: The glass meets all DSA criteria and LEED Gold aspects are included.

Dr. Rakesh Sharma: Do we know the number of trees that will be planted? It is beautiful.

Robert Dias: There is a landscape plan in place.

It was decided by the Committee to continue the agenda and review the Measure G Financial Update. The tour was moved to follow the adjournment of the meeting.

IX. MEASURE G FINANCIAL UPDATE/BOND LIST REVISION

Ms. Ann Kennedy presented the Measure G Financial Update to the Committee. A bond list revision will be reviewed at the next meeting. The interest earning for the quarter was up to \$404,807. The total spent in the quarter reviewed was \$12.3 Mil.

Dr. Rakesh Sharma: Is there a way to see how much was spent on the South Parking Structure?

Joel Heyne: Although construction is grouped by project type, we are able to extract how much was spent on which parking structure. We have spent \$22.5 Mil.

X. CONFIRMATION OF UPCOMING MEETINGS

The next meetings will be held on Monday, June 15; Monday, September 14; and Monday, December 14.

Committee Member Dr. Sharma made a motion to approve the upcoming meeting dates. The motion was seconded by Committee Member Pirrone. The motion was unanimously carried by all Committee Members present.

XI. TOPICS FOR NEXT MEETING

No topics were discussed

XII. ADJOURNMENT

The meeting was adjourned at 6:50 pm.

The Committee Members, led by Mr. Dias and accompanied by Dr. Gari Browning, Mr. Mike Chegini, Mr. Heyne, Vice President Little, Ms. Kennedy, and Ms. April Merritt, conducted a tour of the Fremont Portables upon adjournment.

NOTES

**OHLONE COMMUNITY COLLEGE DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE MEETING
SEPTEMBER 28, 2015**

**LOCATION:
FREMONT CAMPUS,
BUILDING 7, ROOM 7101
43600 MISSION BOULEVARD
FREMONT, CA 94539
(510) 659-6000**

CITIZENS' BOND OVERSIGHT COMMITTEE, MEMBERS PRESENT

Dr. Dan Chang	Representative, Senior Citizen Organization
Brad Hatton	Representative, At Large
Luzviminda Macabitas	Representative, At Large
Dr. Rakesh Sharma	Representative, Foundation

CITIZENS' BOND OVERSIGHT COMMITTEE, MEMBERS ABSENT

Andrea Francis	Representative, At Large
Frank Pirrone	Representative, Business Organization
VACANT	Representative, Associated Students of Ohlone College
VACANT	Representative, Tax Payers Association

OHLONE COMMUNITY COLLEGE DISTRICT, STAFF PRESENT

Dr. Gari Browning	President/Superintendent
Robert Dias	Interim Bond Construction Director
Dr. George Kozitza	Interim Vice President, Administrative Services
April Merritt	Confidential Assistant to the V.P., Administrative Services
Farhad Sabit	Director Business Services

GUESTS

Mike Chegini	Gilbane/EIS, Communications Manager
Joel Heyne	Gilbane/EIS, Measure G Bond Senior Project Manager
Ann Kennedy	Gilbane/EIS, Measure G Bond Financial Manager
Tom Harchous	Public

CALL TO ORDER

The Citizens' Bond Oversight Committee (CBOC) meeting was called to order by Committee Vice-Chair, Dr. Rakesh Sharma, at 6:09 PM. Roll call indicated all CBOC Committee Members present, except Andrea Francis and Frank Pirrone, who were absent. There was no quorum.

I. APPROVAL OF AGENDA

Committee Member Dr. Rakesh Sharma stated to the Committee that a quorum was not met so no action was taken to approve the agenda.

II. APPROVAL OF MINUTES

Committee Co-Chair Dr. Sharma stated to the Committee that a quorum of members was not met so no action was taken to approve the minutes.

Dr. Rakesh Sharma: One question about the minutes. The minutes state we were to have met on September 14. We did not meet on that date. Is that acceptable?

Ms. Ann Kennedy: Yes. At the time of the posting of the meeting minutes, the dates were correct.

III. COMMITTEE MEMBERS' ATTENDANCE REPORT

Committee Co-Chair Dr. Sharma presented the attendance report to the Committee. No concerns were expressed by the Committee.

IV. COMMUNICATIONS FROM COMMITTEE MEMBERS

Dr. Rakesh Sharma: I had the pleasure of attending the President's State of the College address. You provided a lot of good data. Job well done!

V. COMMUNICATIONS FROM STAFF

Dr. George Kozitza informed the Committee of Ron Little's resignation and introduced himself as the interim Vice President of Administrative Services. Mr. Robert Dias was announced as the Director Bond Construction and Capital Projects. Mr. Dias was previously with the District in an interim capacity. The South Parking Structure ribbon cutting ceremony was held on September 9.

VI. COMMUNICATIONS FROM THE PUBLIC

No items were presented to the Committee. Mr. Tom Harchous was present but had no questions for the Committee.

Dr. Rakesh Sharma: Do you have any concerns?

Mr. Tom Harchous: No. Not at this time.

VII. RECOGNITION OF SERVICE

Dr. Gari Browning recognized the service of Mr. Hector Rastrullo and Mr. K.P. Ghoman. Mr. Rastrullo was an at-large member who served on the Committee from September 2011 to January 2015. Mr. Ghoman was the

ASOC representative who served on the Committee from December 2014 to May 2015. The members will be recognized at the October meeting of the Board of Trustees.

VIII. RECRUITMENT OF NEW MEMBERS

Interim Vice President Dr. Kozitza informed the Committee of the recruitment activities for the Taxpayers' Association Representative. A recruitment table was setup at the President's Advisory Breakfast on September 18. The ASOC President and ASOC Advisor are actively recruiting for the ASOC Student Representative. Phone calls have been made to tax payer associations.

IX. ANNUAL REPORT PRODUCTION SCHEDULE AND PREP

Mr. Mike Chegini asked the Committee for volunteers to assist in the creation of the Annual Report. Mr. Chegini reviewed the Annual Report timeline. He noted that production of the report begins in November with the final draft version presented to the full Committee in December. The final Annual Report is published in February.

Mr. Brad Hatton: I volunteer.

Dr. Rakesh Sharma: I can edit.

Mr. Brad Hatton: I would like to meet with you face-to-face, in a one-on-one meeting.

Mr. Mike Chegini: That works for me.

Dr. Rakesh Sharma: Email would be best for me.

Ms. Ann Kennedy noted that Committee Chair Andrea Francis is automatically part of the volunteers who assist with the creation of the Annual Report.

X. MEASURE G FINANCIAL UPDATE/BOND LIST REVISION

Ms. Ann Kennedy led the presentation of the Measure G Financial Update. Ms. Kennedy noted the numbers presented were from the time of inception until June 30, 2015 and that numbers were not final because the audit is in process.

Dr. Rakesh Sharma: I see catastrophic contingency. We have money in that category but it is not use. We have \$13.7 million in overhead and more than 50% has been used. We have spent more than half. Are we going to continue at that pace? Is this related to beginning work?

Ms. Ann Kennedy: Overhead includes legal, Gilbane and the Facilities Master Plan creation. There are two primary components of overhead that were needed before construction could begin. The EIR

and Facilities Masterplan were needed before any project could move forward. Yes, the front-end costs are typically higher as the program is established. As construction continues, it will ebb and flow.

Dr. Rakesh Sharma: We are in good shape.

Dr. Dan Chang: Is program management included in overhead?

Ms. Ann Kennedy: It is. Project management is not included. An example of what would be included in program management is Robert Dias. He is not assigned to one project, and he assists with all projects.

Ms. Kennedy explained that for the ease of accounting, overhead is held in one account until the end of the fiscal year. At that time, expenses are dispersed to the appropriate projects. So projects with a larger amount of 'people time' receive a large amount of the overhead expense.

Ms. Kennedy continued with a review of the quarterly summary report. She noted that a project is never removed from the list. That is for compliance purposes.

Mr. Dan Chang: What is FF&E?

Ms. Ann Kennedy: Furniture, fixture and equipment.

Dr. Rakesh Sharma: The parking structure budget was \$37 million. Of that, \$23 million was spent. What is the plan for the remaining money?

Mr. Robert Dias: The remaining money will go to improve parking on the north side of campus. No parking structure but improvements. When the portables are removed, the parking lot where they currently reside will need to be reconfigured. The balance will be applied to those projects.

Mr. Brad Hatton: Is that enough money to take care of the entire north end?

Mr. Joel Heyne: We did a programming exercise about a year and a half ago. That is definitely enough money. And the balance will also fund the ACB shortfall.

Discussion ensued regarding the Renewable Energy Creation remaining balance of \$12 million. Mr. Joel Heyne explained the geothermal loop project, including how a geothermal loop works. The Committee noted that almost the entire Quick Fix Projects budget has been exhausted. It was explained that Quick Fix Projects are projects completed primarily at the beginning of a program because these are imminent failure; safety and accessibility; and way-finding and landscaping projects.

Dr. Dan Chang: Did we complete a survey to ensure we have the right type of land?

Mr. Joel Heyne: We did. A conductivity test was completed. It includes drilling test boreholes and a continuous fluid test.

Ms. Kennedy reviewed the bond list revision that was approved by the Board in September. The item is presented as information only and is an annual exercise of the Committee.

Dr. Dan Chang: We have nearly \$13 million in overhead. We have spent \$6 million of that. Is there enough money to sustain the project?

Ms. Ann Kennedy: In the beginning of Measure G, I was onsite four days a week. Now I am onsite as needed. That is an example of the higher upfront overhead costs. We keep an eye on that budget. It is managed and reviewed by the management team. It is a very visible line item.

XI. MEASURE G PROJECT UPDATE

Mr. Heyne began the update with a showing of the construction time-lapse video. Mr. Heyne noted the South Parking Structure was completed on time and was open for use by students, staff and visitors before the Fall 2015 semester began.

Dr. Rakesh Sharma: Did we have DSA certification when we completed the closeout?

Mr. Joel Heyne: No. We need to file a couple of documents and pay DSA. All of our records are in order.

Dr. Rakesh Sharma: Did we complete a warranty walk?

Mr. Joel Heyne: That will be completed in May or June 2016.

The Athletic Fields are the primary projects under construction on the campus. Approximately 45,000 cubic yards of earth were saved from the South Parking Structure project and used to increase the elevation of the new athletic fields. That is \$500,000 to \$1 million in savings. The project is on schedule with estimated completion in spring and fall of 2016. The winter 2015 and spring 2016 weather forecast includes a lot of anticipated rain. If a significant rain event occurs, it will delay construction. The project budget is tracking well.

The demolition of Buildings 1, 2 and 8 is 95% complete. The DSA approval for the ACB project took 10 months. Due to California court rulings and potential legal implications, the District has switched from a lease lease-back method to a design-bid-build method of construction.

Mr. Brad Hatton: Is there a delay?

Mr. Joel Heyne: There is a delay. If we were able to move forward with the lease lease-back method, the contract would have been presented to the Board in September for approval. Since we must now procure and reach terms on each item, the contracts will probably be presented to the Board for approval in February or March.

Dr. Dan Chang: Did you have questions or comments about the video?

Dr. Gari Browning: Yes. The attendees like the video. We are very excited about the progress.

XII. CONFIRMATION OF UPCOMING MEETINGS

The next meeting will be held on Monday, December 14, 2015.

XIII. TOPICS FOR NEXT MEETING

Ms. Kennedy stated the audit and annual report would be discussed at the next meeting.

XIV. ADJOURNMENT

The meeting was adjourned at 7:19 PM.

**PROPOSITION 39 BOND BUILDING FUND
OHLONE COMMUNITY
COLLEGE DISTRICT**

AUDIT REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2015**

San Diego

Los Angeles

**San Francisco
Bay Area**

christywhite
A PROFESSIONAL
ACCOUNTANCY CORPORATION *associates*

**PROPOSITION 39 BOND BUILDING FUND
OHLONE COMMUNITY COLLEGE DISTRICT
Table of Contents
June 30, 2015**

FINANCIAL SECTION

Introduction and Citizens' Oversight Committee Member Listing.....	1
Independent Auditors' Report.....	3
Balance Sheet.....	5
Statement of Revenues, Expenditures and Changes in Fund Balance	6
Notes to Financial Statements.....	7

OTHER INDEPENDENT AUDITORS' REPORTS

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>	14
Independent Auditors' Report on Performance.....	16

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

Schedule of Findings and Recommendations.....	21
Summary Schedule of Prior Year Audit Findings.....	22

**PROPOSITION 39 BOND BUILDING FUND
OHLONE COMMUNITY COLLEGE DISTRICT
Introduction and Citizens' Oversight Committee Member Listing
June 30, 2015**

Ohlone Community College District (the "District") was established on July 1, 1966, and is comprised of an area approximating 534 acres in Fremont and 80 acres in Newark. There was no change in the boundaries of the District during the current year.

November 2010, the District's voters approved by more than the required 55% favorable vote, Measure G, authorizing the issuance and sale of General Obligation Bonds, not to exceed \$349,000,000 to continue the goals of Measure G.

- In October 2011, the District issued \$70,000,000 and \$10,000,000 in 2010 General Obligation Bonds, Series A and Series A-1, respectively. The Series A Bonds are being issued to finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities approved by the District's registered voters and to pay the cost of issuance associated with the Bonds. The Series A-1 Bonds are being issued to fund a technology endowment. Interest earnings from the endowment shall remain in the Building Fund and used for the purposes of that fund. The Series A and Series A-1 bonds will both mature through August 1, 2041 and have interest rates ranging between 2.00% and 5.25%.
- In August 2014, the District issued \$74,995,430 in 2010 General Obligation Bonds, Series B. The Series B Bonds are being issued to finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities approved by the District's registered voters and to pay the cost of issuance associated with the Bonds. The Series B bonds will mature through August 2039 and have interest rates ranging between 1.00% and 4.00%.

Measure G is a Proposition 39 Bonds. The passage of Proposition 39 in November 2000 amended the California Constitution to include accountability provisions. Specifically, the District must conduct an annual independent performance audit to ensure that funds have been expended only on the specific projects listed as well as an annual, independent financial audit of the proceeds from the sale of the bonds until all of the proceeds have been expended for facilities projects.

Upon passage of Proposition 39, an accompanying piece of legislation, AB 1908 (Chapter 44, Statutes of 2000), was also enacted, which amended the Education Code to establish additional procedures which must be followed if a District seeks approval of a bond measure pursuant to the 55% majority authorized in Measure G including formation, composition and purpose of the Citizens' Oversight Committee, and authorization for injunctive relief against the improper expenditure of bond revenues.

**PROPOSITION 39 BOND BUILDING FUND
OHLONE COMMUNITY COLLEGE DISTRICT
Introduction and Citizens' Oversight Committee Member Listing, continued
June 30, 2015**

The Citizens' Bond Oversight Committee had the following members as of June 30, 2015, all of whom were appointed by the District's Board of Trustee with two year terms of office:

Name	Title	Representation	Education Code Section
Andrea Francis	Chairperson	Community -at- Large	15282(a)
Rakesh Sharma	Vice Chair	Active in a Foundation	15282(a)(5)
Dr. Dan Chang	Member	Active in a Senior Citizens Organization	15282(a)(2)
Brad Hatton	Member	Community -at- Large	15282(a)
Luzviminda Macabitas	Member	Community -at- Large	15282(a)
Frank Pirrone	Member	Active in a Business Organization	15282(a)(1)
Vacant	N/A	Active in a Taxpayers' Association	15282(a)(3)
Vacant	N/A	Represents ASOC	15282(a)(4)

Recruitment for a student representative to serve on the committee was in progress as of June 30, 2015. The District's Vice President of Administrative Services serves as staff liaison to the CBOC.

INDEPENDENT AUDITORS' REPORT

Christy White, CPA

Michael Ash, CPA

Heather Rubio

The Board of Trustees
Ohlone Community College District
Fremont, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Measure G Proposition 39 Bond Building Fund of Ohlone Community College District (the "Measure G Proposition 39 Bond Building Fund") as of and for the year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise the Measure G Proposition 39 Bond Building Fund's basic 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 opinions 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 opinions.

SAN DIEGO
LOS ANGELES
SAN FRANCISCO/BAY AREA

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State Board of Accountancy

As discussed in Note 1A, the financial statements present only the individual Proposition 39 Bond Building Fund, consisting of the net construction proceeds of the Measure G general obligation bonds as issued by the District, through the County of Alameda, and are not intended to present fairly the financial position of the District in conformity with generally accepted accounting principles.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure G Proposition 39 Bond Building Fund of Ohlone Community College District as of June 30, 2015 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Measure G Proposition 39 Bond Building Fund's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2015 on our consideration of the Measure G Proposition 39 Bond Building Fund's 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. 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. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Measure G Proposition 39 Bond Building Fund's internal control over financial reporting and compliance.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of Proposition 39, as incorporated in California Constitution Article 13A, we have also issued our performance audit report dated November 16, 2015 on our consideration of the Measure G Proposition 39 Bond Building Fund's compliance with the requirements of Proposition 39. That report is an integral part of our audit of the Proposition 39 Bond Building Fund for the year ended June 30, 2015 and should be considered in assessing the results of our financial audit.

Christy White Associates

San Diego, California
November 16, 2015

FINANCIAL SECTION

**PROPOSITION 39 BOND BUILDING FUND
OHLONE COMMUNITY COLLEGE DISTRICT
Balance Sheet
June 30, 2015**

	MEASURE G
ASSETS	
Cash in county treasury	\$ 53,025,836
Investments	10,000,000
Accounts receivable	36,934
Total Assets	<u>\$ 63,062,770</u>
 LIABILITIES AND FUND BALANCE	
 LIABILITIES	
Accounts payable	<u>\$ 5,205,333</u>
Total Liabilities	<u>5,205,333</u>
 FUND BALANCE	
Restricted for capital projects	<u>57,857,437</u>
Total Liabilities and Fund Balance	<u>\$ 63,062,770</u>

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

PROPOSITION 39 BOND BUILDING FUND
OHLONE COMMUNITY COLLEGE DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Fiscal Year Ended June 30, 2015

	MEASURE G
REVENUES	
Interest income	\$ 208,472
Total Revenues	<u>208,472</u>
EXPENDITURES	
Capital outlay	36,561,221
Supplies and noncapitalized equipment	1,507,807
Other operating expenses	9,406,297
Classified salaries	299,089
Employee benefits	88,786
Cost of issuance	240,000
Total Expenditures	<u>48,103,200</u>
OTHER FINANCING SOURCES AND USES	
Proceeds from sale of bonds	74,995,430
Total Other Financing Sources and Uses	<u>74,995,430</u>
Net Change in Fund Balance	27,100,702
Fund Balance, July 1, 2014	<u>30,756,735</u>
Fund Balance, June 30, 2015	<u>\$ 57,857,437</u>

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

**PROPOSITION 39 BOND BUILDING FUND
OHLONE COMMUNITY COLLEGE DISTRICT
Notes to Financial Statements
June 30, 2015**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Ohlone Community College District (the "District") was established on July 1, 1966, and is comprised of an area approximating 534 acres in Fremont and 80 acres in Newark. There was no change in the boundaries of the District during the current year.

In November 2010, the District's voters approved by more than the required 55% favorable vote, Measure G, authorizing the issuance and sale of General Obligation Bonds, not to exceed \$349,000,000 to continue the goals of Measure G.

- In October 2011, the District issued \$70,000,000 and \$10,000,000 in 2010 General Obligation Bonds, Series A and Series A-1, respectively. The Series A Bonds are being issued to finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities approved by the District's registered voters and to pay the cost of issuance associated with the Bonds. The Series A-1 Bonds are being issued to fund a technology endowment. Interest earnings from the endowment shall remain in the Building Fund and used for the purposes of that fund. The Series A and Series A-1 bonds will both mature through on August 1, 2041 and have an interest rates ranging between 2.00% and 5.25%.
- In August 2014, the District issued General Obligation Bonds totaling \$74,995,430. These bonds were issued to finance the acquisition, construction and modernization of property and facilities. The Current Interest and Capital Appreciation Bonds interest and yield vary, ranging from 1.00% to 4.00% and are scheduled to mature through August 2039.

An oversight committee to the District's Governing Board and President, called the Citizens' Bond Oversight Committee (CBOC), was established pursuant to the requirements of state law and the provisions of the Measure G Bonds. The CBOC is required by state law to actively review and report on the proper expenditure of taxpayers' money for school construction. The CBOC provides oversight and advises the public whether the District is spending the Measure G bond funds for school capital improvements within the scope of projects outlined in the Measure G bond project list. In fulfilling its duties, the CBOC reviews, among other things, the District's annual performance and financial audits of Measure G activity.

The statements presented are for the individual Proposition 39 Bond Building Fund of the District, consisting of the net construction proceeds of the Measure G General Obligation Bonds as issued by the District, through the County of Alameda, and are not intended to be a complete presentation of the District's financial position or results of operations. There are no related parties or component units included in this financial statement presentation.

**PROPOSITION 39 BOND BUILDING FUND
OHLONE COMMUNITY COLLEGE DISTRICT**
Notes to Financial Statements, continued
June 30, 2015

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Accounting Policies

The accounting policies of the District conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

The financial statements are presented on 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 the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

D. 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.

E. Deposits and Investments

In accordance with Education Code Sections 15357 and 41001, the District maintains a portion of its cash in the Alameda County Treasury. The County pools these funds with those of other districts in the County and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

**PROPOSITION 39 BOND BUILDING FUND
OHLONE COMMUNITY COLLEGE DISTRICT
Notes to Financial Statements, continued
June 30, 2015**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

F. 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.

G. 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.

H. Fund Balance

Under GASB Statement No. 54, fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The fund balances of the Measure G Bonds are considered restricted.

The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation.

**PROPOSITION 39 BOND BUILDING FUND
OHLONE COMMUNITY COLLEGE DISTRICT
Notes to Financial Statements, continued
June 30, 2015**

NOTE 2 – CASH AND 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. Investments of debt proceeds held by trustees are governed by the provisions of debt agreements rather than the general provisions of the California Government Code. These provisions allow for the acquisition of investment agreements with maturities up to 30 years.

Cash 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 accounting 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.

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedule 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	40%	10%
Negotiable Certificates of Deposit	5 years	40%	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

**PROPOSITION 39 BOND BUILDING FUND
OHLONE COMMUNITY COLLEGE DISTRICT
Notes to Financial Statements, continued
June 30, 2015**

NOTE 2 – CASH AND INVESTMENTS (continued)

Authorized Under Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements rather than the general provisions of the California Government Code. These provisions allow for the acquisition of investment agreements with maturities of up to 30 years.

Summary of Cash and Investments

Cash and investments as of June 30, 2015, consist of the following:

	MEASURE G
Cash in county treasury, at cost	\$ 53,025,836
Investments at cost	10,000,000
Total Cash and Investments	<u>\$ 63,025,836</u>

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair market value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair market value to changes in market interest rates. The District manages its exposure to interest rate risk by primarily investing in the County Investment Pool and in other investment agreements.

Specific Identification and Credit Risk

Information about the sensitivity of the fair market values of the District's investments to market interest rate fluctuations is indicated by the following schedule that shows the distribution of the District's investment by maturity. 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, 2015. Presented below is the minimum rating required by the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of the year-end for each investment type. Since all District investment holdings are governmental securities, per California Government Code there is no minimum legal rating.

Investment or Deposit Type	Fair Market Value	Days to Maturity	Minimum Legal Rating	Rating 6/30/2014
Municipal Bonds	\$ 10,702,588	N/A	Not Applicable	At Least A
Alameda County Investment Pool	53,105,853	525	Not Applicable	AA+
	<u>\$ 63,808,441</u>			

**PROPOSITION 39 BOND BUILDING FUND
OHLONE COMMUNITY COLLEGE DISTRICT
Notes to Financial Statements, continued
June 30, 2015**

NOTE 2 – CASH AND INVESTMENTS (continued)

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. Investments within the Alameda County Investment Pool are rated at least A by Moody's Investors Service.

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond the amount stipulated by the California Government Code. District investments that are greater than 5 percent of total investments are in either an external investment pool or mutual funds and are therefore exempt.

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable amounting to \$36,934 for Measures G as of June 30, 2015 consists of interest earned on investments.

NOTE 4 – CONSTRUCTION COMMITMENTS

Construction commitments as of June 30, 2015 for Measures G consist of \$9,145,973.

PROPOSITION 39 BOND BUILDING FUND
OHLONE COMMUNITY COLLEGE DISTRICT
Notes to Financial Statements, continued
June 30, 2015

NOTE 5 – MEASURE G GENERAL OBLIGATION BONDS

As of June 30, 2015, the principal balance outstanding on the District's Measure G General Obligation Bonds is indicated as follows:

Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding, July 1, 2014	Issued	Redeemed	Bonds Outstanding, June 30, 2015	Due in one Year
10/5/2011	8/1/2041	2.00-5.25%	\$ 70,000,000	\$ 61,430,000	\$ -	\$ -	\$ 61,430,000	\$ -
10/5/2011	8/1/2026	2.00-5.00%	10,000,000	6,000,000	-	-	6,000,000	-
8/13/2014	8/1/2039	1.00-4.00%	74,995,430	-	74,995,430	6,000,000	68,995,430	3,890,000
	Totals		\$ 154,995,430	\$ 67,430,000	\$ 74,995,430	\$ 6,000,000	\$ 136,425,430	\$ 3,890,000

In October 2011, the District issued \$70,000,000 and \$10,000,000 in 2010 General Obligation Bonds, Series A and Series A-1, respectively. The Series A Bonds are being issued to finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities approved by the District's registered voters and to pay the cost of issuance associated with the Bonds. The Series A-1 Bonds are being issued to fund a technology endowment. Interest earnings from the endowment shall remain in the Building Fund and used for the purposes of that fund. The Series A and Series A-1 bonds will mature through August 2041 and have an interest rates ranging between 2.00% and 5.25%.

In August 2014, the District issued General Obligation Bonds totaling \$74,995,430. These bonds were issued to finance the acquisition, construction and modernization of property and facilities. The Current Interest and Capital Appreciation Bonds interest and yield vary, ranging from 1.00% to 4.00% and are scheduled to mature through August 2039.

The annual requirements to amortize all Measure G General Obligation Bond's payable outstanding as of June 30, 2015, are as follows:

Year Ending June 30,	Principal	Interest	Total
2016	\$ 3,890,000	\$ 6,357,175	\$ 10,247,175
2017	3,335,000	6,515,831	9,850,831
2018	3,745,000	6,625,695	10,370,695
2019	95,000	6,818,355	6,913,355
2020	185,000	7,099,193	7,284,193
2021-2025	3,165,000	26,396,813	29,561,813
2026-2030	9,056,640	26,657,048	35,713,688
2031-2035	19,843,242	27,230,445	47,073,687
2036-2040	30,650,548	26,503,427	57,153,975
2041-2045	62,460,000	6,856,755	69,316,755
Totals	\$ 136,425,430	\$ 147,060,737	\$ 283,486,167

**OTHER INDEPENDENT
AUDITORS' REPORTS**

**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**

Christy White, CPA

Michael Ash, CPA

Heather Rubio

Independent Auditors'

Governing Board Members and
Measures G Citizens' Oversight Committee
Ohlone Community College District
Fremont, California

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 Measure G Proposition 39 Bond Building Fund, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Measure G of Proposition 39 Bond Building Fund's basic financial statements, and have issued our report thereon dated November 16, 2015.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Measure G Proposition 39 Bond Building Fund'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Measure G of Proposition 39 Bond Building Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Measure G of Proposition 39 Bond Building Fund'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.

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State Board of Accountancy

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 Measure G of Proposition 39 Bond Building Fund'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 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.



San Diego, California
November 16, 2015

INDEPENDENT AUDITORS' REPORT ON PERFORMANCE

Christy White, CPA

Michael Ash, CPA

Heather Rubio

Governing Board Members and
Measures G Citizens' Oversight Committee
Ohlone Community College District
Fremont, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Measure G Proposition 39 Bond Building Fund, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Measure G Proposition 39 Bond Building Fund's basic 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 opinions 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.

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

Objectives

In connection with our audit, we also performed an audit of compliance as required in the performance requirements for the Measure G General Obligation Bonds for the year ended June 30, 2015. The objective of the examination of compliance applicable to the District is to determine with reasonable assurance that:

- The proceeds of the sale of the Measure G of Bonds were only used for the purposes set forth in the Measure G ballot language and not for any other purpose, such as teacher and administrative salaries.

In performing our audit of compliance, we performed procedures including but not limited to those listed as follows:

Internal Control Evaluation

Procedures Performed:

Inquiries were made of management regarding internal controls to:

- Prevent fraud or waste regarding Measure G projects, including budgetary controls
- Ensure adequate separation of duties exists in the fiscal services department for Measure G funds
- Prevent material misstatements in the financial statements
- Ensure expenditures are allocated to the proper fund(s)
- To follow applicable regulations, including regulations related to bidding and contract management

We then performed substantive tests of financial statement balances to determine whether the controls designed by management were operating effectively, and to provide reasonable assurance that the fiscal year 2014-15 financial statement balances for the Proposition 39 Bond Building Fund are not materially misstated.

Results of Procedures Performed:

The result of our audit tests show that internal control procedures appear to be working to meet the financial and compliance objectives required by generally accepted accounting standards and applicable laws and regulations. An unmodified opinion was expressed on the financial statements.

Facilities Site Walk

Procedures Performed:

We performed a site walk to verify that Measure G funds expended for the fiscal year ended June 30, 2015 were for valid facilities acquisition and construction purposes. CWA toured multiple District construction sites including the South Parking Structure and the Interim Student Classroom project, where construction work had commenced.

Results of Procedures Performed:

Results of the site walks indicate that the major 2014-15 Measure G planning and construction projects at Ohlone College were successfully completed and advanced into 2015-16 expenditure/construction phases where applicable.

Test of Expenditures

Procedures Performed:

We tested approximately \$11.6 million (24%) of the 2014-15 Measure G expenditures for validity, allowability and accuracy. Expenditures sampled in our test included payments made to contractors, consultants, other vendors, salaries and cost of issuance of the general obligation bond.

Results of Procedures Performed:

We found the expenditures and transfers tested to be in compliance with the terms of the Measure G ballot measures, Facilities Plan, and applicable state laws and regulations without exception.

Test of Contracts and Bid Procedures

Procedures Performed:

For the fiscal year ended June 30, 2015, we performed testing of three contracts to determine compliance with District policy and Public Contract Code provisions related to contracting and bidding:

Informal Bids

- Project: Utility Infrastructure Upgrade Project Phase II
Vendor: Ghilotti Construction Company
Original Contract Award Amount: \$929,000
- Project: Pool Refurbishment and Aquatic Team Rooms
Vendor: Western Water Features
Original Contract Award Amount: \$2,850,000
- Project: Athletic Fields Project
Vendor: CW Driver
Original Contract Award Amount: \$9,730,531

Results of Procedures Performed:

We found that the contracts tested above for bidding procedures followed proper bidding procedures and were awarded in all cases to the lowest responsible bidder or the best value contract.

In addition, we noted that the District has been providing the Governing Board with a listing of change orders to contract that relate to Measure G projects in the fiscal year 2014-15 and that no Measure G projects have a cumulative change order rate in excess of 10% of contract value.

Test of Contracts and Bid Procedures (continued)

Our audit of compliance was made for the purposes set forth in the second and third paragraphs of this report and would not necessarily disclose all instances of noncompliance.

In our opinion, the District complied, in all material respects, with the compliance requirements for the Measures G General Obligation Bonds for the fiscal year ended June 30, 2015, as listed and tested above.

This report is intended solely for the information and use of the Measures G Citizens' Bond Oversight Committee, the District's Governing Board, management, and the taxpayers of Ohlone Community College District and is not intended to be and should not be used by anyone other than these specified parties.

Christy White Associates

San Diego, California

November 16, 2015

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

**PROPOSITION 39 BOND BUILDING FUND
OHLONE COMMUNITY COLLEGE DISTRICT
Schedule of Findings and Recommendations
For the Fiscal Year Ended June 30, 2015**

There were no findings or recommendations for the year ended June 30, 2015.

PROPOSITION 39 BOND BUILDING FUND
OHLONE COMMUNITY COLLEGE DISTRICT
Summary Schedule of Prior Year Audit Findings
For the Fiscal Year Ended June 30, 2015

There were no findings or recommendations for the year ended June 30, 2014.

**OHLONE COMMUNITY COLLEGE DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
DECEMBER 14, 2015
6:00 – 7:30 PM**

Agenda Item #11- Review and approval of the Annual Report, Fiscal Year 2014-15

To view the web-based version of the 2014-15 Annual Report please use the link below:

<http://ohlonebond.com/AR1415/>

Whole Program Report

Ohlone Community College District

Measure G

Reporting Period: Inception through 9/30/2015

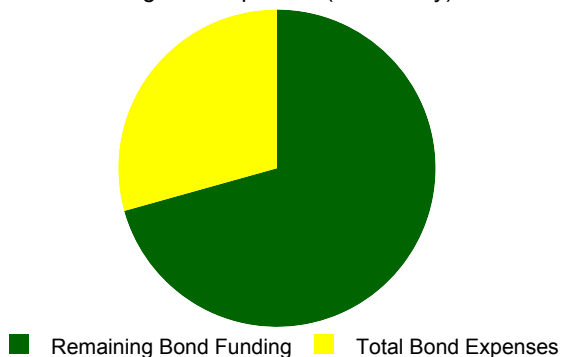
Funding Sources (Budget)

Bond Authorization	\$349,000,000	99.78 %
Bond Allocated Interest Earned	\$0	0.00 %
Allocated Endowment Interest Earned	\$0	0.00 %
Unallocated Bond Interest Earned	\$592,190	0.17 %
Unallocated Endowment Interest Earned	\$191,346	0.05 %
Total Bond:	\$349,783,535	100.00 %
State	\$0	0.00 %
Other	\$0	0.00 %
Total Proceeds:	\$349,783,535	100.00 %

Cost Status

Category	Total Budget	Actual Expenses To Date			Remaining Balance
		Bond	State	Other	
A&E, Oversight, DSA & Other	\$52,824,767	\$24,100,862	\$0	\$0	\$28,723,906
Construction & Contingency	\$254,231,755	\$67,411,267	\$0	\$0	\$186,820,488
Furniture & Equipment	\$21,386,950	\$4,540,283	\$0	\$0	\$16,846,667
Catastrophic Contingency	\$5,500,000	\$0	\$0	\$0	\$5,500,000
Overhead	\$15,056,528	\$6,573,540	\$0	\$0	\$8,482,988
Unallocated Interest Earned	\$783,535	\$0	\$0	\$0	\$783,535
Totals:	\$349,783,535	\$102,625,951	\$0	\$0	\$247,157,584

Budget vs Expenses (Bond Only)



Notes:

Of the \$80 Million of Measure G Series A bond proceeds, \$10 Million has been placed in a Technology Endowment Fund to support future technology equipment purchases.

Bond and Bond Authorization: Measure G
 Interest Earned: Measure G Interest Earnings Allocated to Projects
 Endowment Interest Earned: Interest earnings on endowment allocated to specific endowment projects
 Unallocated Interest Earned: Interest Earnings not yet allocated to specific projects
 Unallocated Endowment Interest Earned: Interest earnings not yet allocated to specific endowment projects
 State: State Capital Outlay and Scheduled Maintenance (only on Measure G projects)
 Other: Contribution to Project from "other" source (non-State nor Bond)
 Expenses in the "Actual Expenses to Date" columns: Paid and Accrued expenses through the reporting period end date
 Rounding factors may apply

CBOC Quarterly Summary Report

Ohlone Community College District

Measure G Bond Program

Reporting Period: Inception through 9/30/2015

Phase/Project Name		Bond Budget	Bond Exp. To Date	Qtr Bond Expense	Budget Remaining
Project List by Phase					
Phases					
Board Approved					
6131	Site Lighting Upgrades	\$1,675,000	\$0	\$0	\$1,675,000
6132	Hazardous Material Abatement and Removal	\$411,840	\$0	\$0	\$411,840
6137	Wetland Living/Learning Environment	\$466,440	\$0	\$0	\$466,440
6138	Campus Way-finding Signage	\$452,360	\$0	\$0	\$452,360
6139	Campus Entry Improvements	\$795,600	\$0	\$0	\$795,600
6143	Small Capital Improvements	\$2,275,000	\$0	\$0	\$2,275,000
7103	Newark Soil Remediation	\$1,372,800	\$0	\$0	\$1,372,800
7104	Newark Maintenance/Warehouse Building	\$1,251,250	\$0	\$0	\$1,251,250
9111	Instructional Technology (Computers, LCDS, Flat Screens, etc) - (PH 2)	\$1,560,000	\$0	\$0	\$1,560,000
9112	FFE for Building 5, 9 and Athletic Fields	\$2,000,000	\$0	\$0	\$2,000,000
9113	Instructional Technology (Computers, LCDS, Flat Screens, etc) - (PH 3)	\$1,560,000	\$0	\$0	\$1,560,000
9114	FFE for Hyman Hall	\$1,500,000	\$0	\$0	\$1,500,000
Total Board Approved		\$15,320,290	\$0	\$0	\$15,320,290
Planning					
6114	Renovate Building 5	\$8,938,146	\$56,621	\$0	\$8,881,525
9106	FFE for Academic Core Project	\$9,000,000	\$171,585	\$14,393	\$8,828,415
Total Planning		\$17,938,146	\$228,205	\$14,393	\$17,709,940
Programming					
9999	Program Mgmt, Planning and Support	\$13,655,370	\$1,796,291	\$381,810	\$11,859,079
Total Programming		\$13,655,370	\$1,796,291	\$381,810	\$11,859,079
Design					
6109	Plaza & Landscape Improvements	\$7,662,815	\$268,454	\$0	\$7,394,361
6121	Renovate Building 9	\$15,385,587	\$512,616	\$21,381	\$14,872,971
6134	Site Security Systems	\$1,450,105	\$143,675	\$3,104	\$1,306,430
6142	Hyman Hall Renovations	\$5,301,162	\$1,382,426	\$0	\$3,918,737
9115	Energy Efficiency Projects	\$1,027,263	\$17,286	\$0	\$1,009,977
Total Design		\$30,826,933	\$2,324,457	\$24,485	\$28,502,476
Construction					
6101	Athletic Fields	\$12,573,008	\$2,511,640	\$1,151,420	\$10,061,369
6102	Roof Repair/Replacement	\$3,382,112	\$143,281	\$2,300	\$3,238,831
6104	Site Utility Infrastructure Improvements	\$15,644,005	\$12,968,785	\$745,747	\$2,675,220
6108	Parking, Road and Site Improvements	\$3,797,749	\$424,063	\$12,691	\$3,373,686
6110	Parking Structures	\$37,649,307	\$24,651,048	\$718,995	\$12,998,259
6133	Bird (Swallow) Environmental Alternatives	\$558,016	\$274,451	\$324	\$283,565
7105	Newark Greenhouse Project	\$636,317	\$370,841	\$0	\$265,475
9101	Renewable Energy Generation	\$31,949,396	\$19,919,818	\$169,421	\$12,029,578
9107	Quick Fix: Imminent Failure	\$5,492,953	\$4,646,897	\$41,667	\$846,056

Notes:

Expenses in the "Bond Exp. to Date" column include expenses paid and accrued through the reporting period end date.
Rounding factors may apply.

CBOC Quarterly Summary Report

Ohlone Community College District

Measure G Bond Program

Reporting Period: Inception through 9/30/2015

Phase/Project Name		Bond Budget	Bond Exp. To Date	Qtr Bond Expense	Budget Remaining
9108	Quick Fix: Safety and Accessibility	\$2,947,896	\$2,352,009	\$76,667	\$595,887
9109	Quick Fix: Way-finding and Landscape	\$412,031	\$190,496	\$4,800	\$221,535
Total Construction		\$115,042,788	\$68,453,329	\$2,924,032	\$46,589,459
Close Out					
7102	Newark Additional Parking (300 spaces)	\$1,061,391	\$884,911	\$0	\$176,480
Total Close Out		\$1,061,391	\$884,911	\$0	\$176,480
Procurement					
6105	Academic Core Buildings	\$134,719,238	\$24,149,992	\$1,812,025	\$110,569,246
9104	Information Technology Infrastructure Upgrades	\$2,275,000	\$2,226,577	\$0	\$48,423
9105	Instructional Technology (Computers, LCDS, Flat Screens, etc) - (PH 1)	\$1,560,000	\$1,493,924	\$0	\$66,076
Total Procurement		\$138,554,238	\$27,870,493	\$1,812,025	\$110,683,745
Consolidated					
6103	Field House	\$0	\$0	\$0	\$0
6106	Renovate Building 1	\$0	\$0	\$0	\$0
6107	New Parking Lot L	\$0	\$0	\$0	\$0
6111	"Main Street" Improvements -- South Side	\$0	\$0	\$0	\$0
6112	Hillside Image and Accessibility Improvements (PH 1)	\$0	\$0	\$0	\$0
6113	Hillside Image and Accessibility Improvements (PH 2)	\$0	\$0	\$0	\$0
6115	Relocate Soccer Field	\$0	\$0	\$0	\$0
6116	Multipurpose Soccer Practice Field	\$0	\$0	\$0	\$0
6117	Open Anza Pine Road at Hillside:	\$0	\$0	\$0	\$0
6118	Construct North/South Road Behind Mission Boulevard Frontage Development	\$0	\$0	\$0	\$0
6119	Softball Field Improvements	\$0	\$0	\$0	\$0
6120	Soccer/Softball Field House	\$0	\$0	\$0	\$0
6122	Hillside Image and Accessibility Improvements (PH 3)	\$0	\$0	\$0	\$0
6123	New Building E	\$0	\$0	\$0	\$0
6124	"Library Plaza" Improvements -- North Side	\$0	\$0	\$0	\$0
6125	North Parking Structure	\$0	\$0	\$0	\$0
6126	Building 3 and 4 Replacement	\$0	\$0	\$0	\$0
6127	"Main Street" Improvements -- North Side	\$0	\$0	\$0	\$0
6128	Café/Event/Drop Off Structure	\$0	\$0	\$0	\$0
6129	Road Repair, Resurfacing and Replacement	\$0	\$0	\$0	\$0
6130	Roof Replacement Bldgs 12, 19, and 22	\$0	\$0	\$0	\$0
6135	Sidewalk, Ramp and Plaza Repairs/Replacement	\$0	\$0	\$0	\$0
6136	Enhance environment around the upper pond	\$0	\$0	\$0	\$0
6140	Campus-Wide Landscape Repairs and Upgrades, Tree Removal and Replacement, Erosion Control	\$0	\$0	\$0	\$0
6141	Bus Stop Concrete "Skid" Pads	\$0	\$0	\$0	\$0
7101	Newark Loop Roadway Improvements	\$0	\$0	\$0	\$0
9102	Newark Renewable Energy Generation	\$0	\$0	\$0	\$0

Notes:

Expenses in the "Bond Exp. to Date" column include expenses paid and accrued through the reporting period end date.
Rounding factors may apply.

CBOC Quarterly Summary Report

Ohlone Community College District

Measure G Bond Program

Reporting Period: Inception through 9/30/2015

Phase/Project Name	Bond Budget	Bond Exp. To Date	Qtr Bond Expense	Budget Remaining
9103 Renewable Energy Generation (PH 2)	\$0	\$0	\$0	\$0
9110 Planning Assessments and Program Management	\$0	\$0	\$0	\$0
CIDSPM Contingency, Inflation, District Support & Project Mgmt	\$0	\$0	\$0	\$0
Total Consolidated	\$0	\$0	\$0	\$0
Ohlone College Totals	\$332,399,155	\$101,557,686	\$5,156,745	\$230,841,469

Unallocated Interest Earnings	\$783,535	\$0	\$0	\$783,535
Measure G Project List Subtotal:	\$333,182,690	\$101,557,686	\$5,156,745	\$231,625,005

Contingency

9500 Catastrophic Contingency	\$5,500,000	\$0	\$0	\$5,500,000
9600 Program Contingency	\$11,100,845	\$1,068,266	\$0	\$10,032,579
Total Contingency	\$16,600,845	\$1,068,266	\$0	\$15,532,579
Ohlone Contingency / (Forecasted Total Cost - Expenses to Date)				7.2%

Measure G Project List Total:	\$349,783,535	\$102,625,951	\$5,156,745	\$247,157,584
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Notes:

Expenses in the "Bond Exp. to Date" column include expenses paid and accrued through the reporting period end date.
Rounding factors may apply.



CITIZENS' BOND OVERSIGHT COMMITTEE

MEASURE G - PROJECTS UPDATE

DECEMBER 14, 2015



in association with

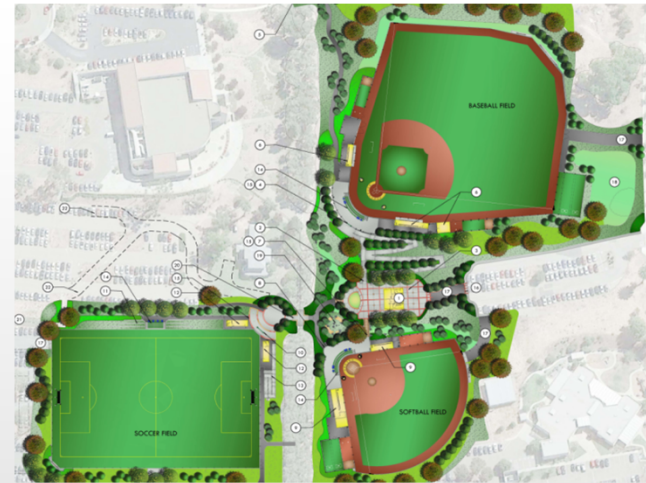




Measure G Update



Pool Renovation



Athletic Fields



Academic Core Buildings



Pool Renovation: Scope



Pool Renovation: Scope

WHAT?

- New pool mechanical equipment
- New pool deck and appurtenances
- New reshaped pool shell



WHY?

- Increase energy efficiency
- Decrease operational costs
- Meet current health code requirements
- Eliminate unnecessary water volume



Pool Renovation: Scope

Reduce Pool Water Volume by 36%

988,175 gal → 628,641 gal

Reduce Total Annual Water Consumed by 20%



Pool Renovation: Budget



Hard Cost: \$3.1M

Soft Cost: \$400,000

Total Project: \$3.5M

Est. Energy Savings:

~ \$25,000/year

Est. Chemical Use

Reduction: ~ 25%



Pool Renovation: Schedule

- Design ~ Complete
- DSA Approval ~ Nov 30, 2015
- Construction ~ Dec 21, 2015 – Aug 14, 2016
- Owner Occupancy ~ Fall Semester 2016





Athletic Fields

OHLONE
College

Transforming Your Ohlone Experience

ATHLETIC FIELDS

Improvement Project

BASEBALL | SOFTBALL | SOCCER



Summer 2016



Athletic Fields

- Baseball, Softball, Soccer
- Synthetic Turf Fields
- Field House & Team Rooms





Athletic Fields



Softball Field Construction



Athletic Fields



Baseball Field Construction



Athletic Fields



Soccer Field Construction



Academic Core Buildings





Academic Core Buildings





Academic Core Buildings





Academic Core Buildings

- General Contractors Prequalified
- Trade Contractor Prequalification
- Bid Documents available mid-December
- Schedule
 - Construction 4/2016 – 12/2018
- Budget
 - Shortfall Funding





QUESTIONS?



in association with

