2010 MEASURE D AND 2012 MEASURE E BOND BUILDING FUND

WEST CONTRA COSTA SCHOOL DISTRICT

FINANCIAL AUDIT REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2016

2010 MEASURE D AND 2012 MEASURE E BOND BUILDING FUND
WEST CONTRA COSTA UNIFIED SCHOOL

INDEPENDENT AUDITORS' REPORT

Governing Board Members of
West Contra Costa Unified School District and the
Independent Citizens' Bond Oversight Committee
Richmond, California

We have audited the accompanying financial statements of the 2010 Measure D and 2012 Measure E Bond Building Fund of West Contra Costa Unified School District (the "District") as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Measure D and E Bond Building Fund's basic financial statements as listed in the table of contents.

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.

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 relev cor

2010 MEASURE D AND 2012 MEASURE E BOND BUILDING FUND
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
Balance Sheet
June 30, 2016

	Measure D	Measure E	Total
ASSETS			
Cash and cash equivalents (Note 2)	$ 63,821,925	$ 74,820,689	$ 138,642,614
Total assets	$ 63,821,925	$ 74,820,689	$ 138,642,614
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable	$ 6,660,432	$ 8,156,541	$ 14,816,973
Total liabilities	6,660,432	8,156,541	14,816,973
FUND BALANCE			
Restricted for Measure D & E capital projects	57,161,493	66,664,148	123,825,641
Total liabilities and fund balance	$ 63,821,925	$ 74,820,689	$ 138,642,614

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

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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NOTE 2 – CASH AND CASH EQUIVALENTS (continued)

General Authorizations

Except for investments by trustees of debt proceeds, the authority to invest District funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. The table below identifies examples of the investment types permitted in the investment policy:

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

2010 MEASURE D AND 2012 MEASURE E BOND BUILDING FUND

SUPPLEMENTARY INFORMATION SECTION

2010 MEASURE D AND 2012 MEASURE E BOND BUILDING FUND

OTHER INDEPENDENT AUDITORS' REPORT

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH

Compliance and Other Matters

As part of obtaining reasonable assurance about whether

AUDIT FINDINGS AND MANAGEMENT'S RESPONSE SECTION

2010 MEASURE D AND 2012 MEASURE E BOND BUILDING FUND
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
Schedule of Audit Findings and Management's Responses
For the Year Ended June 30, 2016

2010 MEASURE D AND 2012 MEASURE E BOND BUILDING FUND
WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2016

FINDING #2015-01: ACCOUNTS PAYABLE ACCRUALS (30000)

Criteria: Accrual accounting requires that revenues and expenditures be recorded in the period in which they are earned or incurred. Internal controls should be implemented to ensure that accounting transactions are recorded in the proper period and follow proper accrual accounting