MEASURE G
PROPOSITION 39 BOND BUILDING FUND
CERRITOS COMMUNITY COLLEGE DISTRICT

AUDIT REPORT

FOR THE YEAR END
JUNE 30, 2016

San Diego

Los Angeles

San Francisco
Bay Area

christy white associates
A PROFESSIONAL
ACCOUNTANCY CORPORATION

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SCHEDULE OF FINDINGS AND RECOMMENDATIONS

Cerritos Community College District (the "District") was founded in 1955, and is comprised of an area approximating 52 square miles of southeastern Los Angeles County (Norwalk, California). There was no change in the boundaries of the District during the current year.

On November 6, 2012, the District's voters approved Measure G, a local facilities bond measure, to provide $350 million to address the urgent and critical needs of Cerritos College. Measure G has provided funds to the continuing renovation of the nearly 60-year-old campus.

Measure G is a Proposition 39 Bond. 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.

On November 4, 2014, $100,000,000 of Measure G General Obligation Bonds were sold (Series 2014A). The issuance consisted of serial bonds with interest rates ranging from 1.50 percent to 5.00 percent and maturing through August 1, 2044.

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

Name	Title	Representation	Education Code Section
Joseph Derthick	Chairperson	Active in a Business Organization	15282(a)(1)
Mary Jane McIntosh	Member	Active in a Bona Fide Taxpayers' Association	15282(a)(3)
John Moore	Member	Senior Citizen Organization	
Lisa Ann Rapp	Member	Community -at- Large	15282(a)
Lola Rizkallah	Member	Community -at- Large	15282(a)
Dennis Garcia	Member	Student who is Currently Enrolled in the District and Active in a Community College Group	15282(a)(4)

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INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Cerritos Community College District
Norwalk, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Measure G Proposition 39 Bond Building Fund of Cerritos Community College District (the "Measure G Proposition 39 Bond Building Fund") as of and for the year ended June 30, 2016 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.

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 Los Angeles, 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 Cerritos Community College District as of June 30, 2016 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 28, 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 28, 2016 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, 2016 and should be considered in assessing the results of our financial audit.

Christy White Associates

San Diego, California
November 28, 2016

FINANCIAL SECTION

MEASURE G BOND CONSTRUCTION FUND
CERRITOS COMMUNITY COLLEGE DISTRICT
Balance Sheet
June 30, 2016

ASSETS		
Cash in county treasury	$	47,162,325
Accounts receivable		171,764
Total Assets	$	47,334,089
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	$	2,414,126
Retention Payable		1,023,571
Total Liabilities		3,437,697
FUND BALANCE		
Restricted for capital projects		43,896,392
Total Liabilities and Fund Balance	$	47,334,089

REVENUES	
Interest income	$ 497,586
Total Revenues	497,586
EXPENDITURES	
Supplies and materials	1,757
Other Operating Expenses	26,613
Capital outlay	30,947,974
Total Expenditures	30,976,344
Net Change in Fund Balance	(30,478,758)
Fund Balance, July 1, 2015	74,375,150
Fund Balance, July 1, 2016	$ 43,896,392

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Cerritos Community College District (the "District") was founded in 1955, and is comprised of an area approximating 52 square miles of southeastern Los Angeles County (Norwalk, California). There was no change in the boundaries of the District during the current year.

On November 6, 2012, the District's voters approved Measure G, a local facilities bond measure, to provide $350 million to address the urgent and critical needs of Cerritos College. Measure G has provided funds to the continuing renovation of the nearly 60-year-old campus.

An oversight committee to the District's Governing Board and Superintendent, called the Citizens' Oversight Committee (COC), was established pursuant to the requirements of state law and the provisions of the Measure G Bonds. The COC is required by state law to actively review and report on the proper expenditure of taxpayers' money for school construction. The COC 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 COC reviews, among other things, the District's annual performance and financial audits of Measure G.

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 Los Angeles, 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.

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.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (continued)

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 Los Angeles 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.

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 balance of the Measure G Bond is 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.

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.

Policies and Practices (continued)

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
Local Agency bonds, Notes, Warrants	5 years	None
Registered State Bonds, Notes, Warrants	5 years	None
U.S. Treasury Obligations	5 years	0.19%
U.S. Agency Securities	5 years	59.36%
Banker's Acceptance	180 days	None
Commercial Paper	270 days	28%
Negotiable Certificates of Deposit	5 years	11%
Repurchase Agreements	1 year	None
Reverse Repurchase Agreements	92 days	None
Medium-Term Corporate Notes	5 years	None
Mutual Funds	N/A	None
Money Market Mutual Funds	N/A	None
Mortgage Pass-Through Securities	5 years	None
County Pooled Investment Funds	N/A	None
Local Agency Investment Fund (LAIF)	N/A	None
Joint Powers Authority Pools	N/A	None

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, 2016, consist of deposits in the County Treasury, amounting to $47,162,325 cost.

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, 2016. 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 6/30/2016
Los Angeles County Investment Pool	$ 47,217,167	608	Not Applicable	AA+
	$ 47,217,167			

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 Los Angeles 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 $171,764 as of June 30, 2016 consists of interest earned on investments.

NOTE 4 – CONSTRUCTION COMMITMENTS

As of June 30, 2016 construction commitments for Measure G were $2,320,195.

NOTE 5 – MEASURE G GENERAL OBLIGATION BONDS

As of June 30, 2016, the principal balance outstanding on the District's Measure CC General Obligation Bonds is indicated as follows:

	Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds Outstanding, June 30, 2015	Redeemed	Bonds Outstanding, June 30, 2016	Due in one Year
2012 Series 2014A	11/4/2014	8/1/2044	1.50-5.00%	$ 100,000,000	$ 100,000,000	8,455,000	$ 91,545,000	$ 10,190,000

On November 4, 2014, $100,000,000 of Measure G General Obligation Bonds were sold (Series 2014A). The issuance consisted of serial bonds with interest rates ranging from 1.50 percent to 5.00 percent and maturing through August 1, 2044.

The annual requirements to amortize all Measure CC General Obligation Bond's payable outstanding as of June 30, 2016, are as follows:

Year Ending June 30,	Principal*	Interest**	Total
2017	10,190,000	4,016,250	14,206,250
2018	7,455,000	3,608,650	11,063,650
2019	-	3,310,450	3,310,450
2020	-	3,310,450	3,310,450
2021	-	3,310,450	3,310,450
2022-2026	-	16,552,250	16,552,250
2027-2031	-	16,552,250	16,552,250
2032-2036	11,385,000	15,220,750	26,605,750
2037-2041	24,060,000	10,350,000	34,410,000
2042-2045	38,455,000	3,329,800	41,784,800
Totals	$ 91,545,000	$ 79,561,300	$ 171,106,300

OTHER INDEPENDENT AUDITORS' REPORTS

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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*

Independent Auditors' Report

Governing Board Members and
Measure G Citizens' Oversight Committee
Cerritos Community College District
Norwalk, 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 the Measure G Proposition 39 Bond Building Fund, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Measure G Proposition 39 Bond Building Fund's basic financial statements, and have issued our report thereon dated November 28, 2016.

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 Proposition 39 Bond Building Fund's internal control. Accordingly, we do not express an opinion on the effectiveness of the Measure G 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.

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 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.

Christy White Associates

San Diego, California
November 28, 2016

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INDEPENDENT AUDITORS' REPORT ON PERFORMANCE

Governing Board Members and
Measure G Citizens' Oversight Committee
Cerritos Community College District
Norwalk, 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, 2016, 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.

Objectives

In connection with our audit, we also performed an audit of compliance as required in the performance requirements for the Measure G Bond for the Year Ended June 30, 2016. The objective of the examination of compliance applicable to the District is to determine with reasonable assurance that:

- The proceeds of the Measure G Bond building fund 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 year ended June 30, 2016 were for valid facilities acquisition and construction purposes. CWA toured the campus and viewed evidence of the construction projects expensed in 2015-16 such as the landscape project from the corner of Alondra to Studebaker, the Gym Team Room Additions, and the new addition of the Math and Fine Arts Building.

Results of Procedures Performed:

Results of the site walks indicate that the major 2015-16 Measure G construction projects at Cerritos College were successfully completed or completed in future expenditure and construction phases where applicable.

Test of Expenditures

Procedures Performed:

We tested approximately 26 warrants totaling $3.9 million of the 2015-16 Measure G expenditures for validity, allowability and accuracy. Expenditures sampled in our test included payments made to contractors, consultants and other vendors.

Results of Procedures Performed:

We found the expenditures and transfers tested to be in compliance with the terms of the Measure G ballot measure, 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, 2016, we performed testing of four formally bid contracts to determine compliance with District policy and Public Contract Code provisions related to contracting and bidding:

Formal Bids

Project	Name	Amount	Contractor	Bid Date
15P002	Gym Team Room Additions	$ 433,700	Dalke & Sons	19-Nov-15
14P020	Landscape: Alondra/Studebaker	$ 308,519	Lee & Stires	30-Jul-15
14P020	Landscape: Alondra/Studebaker	$ 127,000	K.A.R Construction	30-Jul-15
14P020	Landscape: Alondra/Studebaker	$ 53,168	Ferreira Construction	30-Jul-15

Results of Procedures Performed:

We found that the contracts tested above for bidding procedures followed proper bidding procedures and were awarded to the lowest responsible bidder.

Our audit of compliance was made for the purposes set forth in the Objectives section 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 Measure G General Obligation Bonds for the year ended June 30, 2016, as listed and tested above.

This report is intended solely for the information and use of the Measure G Citizens' Bond Oversight Committee, the District's Governing Board, management, and the taxpayers of Cerritos 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 28, 2016

SCHEDULE OF FINDINGS
AND RECOMMENDATIONS

There were no findings and recommendations related to the financial and performance audit of the Proposition 39 Bond Building Fund for the fiscal year ended June 30, 2016.

MEASURE G BOND CONSTRUCTION FUND
CERRITOS COMMUNITY COLLEGE DISTRICT
Summary Schedule of Prior Year Audit Findings
For the Fiscal Year Ended June 30, 2016

There were no findings and recommendations related to the financial and performance audit of the Proposition 39 Bond Building Fund for the fiscal year ended *June 30, 2016****.***