



*Report of Independent Auditors
Performance Audit*

**Measure I Bond Building Fund of
Alameda Unified School District**

For the Year Ended June 30, 2023



MOSSADAMS

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Report on Independent Auditors

Governing Board and Measure I Citizens' Bond Oversight Committee
Alameda, California

We have conducted a performance audit of Alameda Unified School District (the "District") Measure I General Obligation Bonds fund for the year ended June 30, 2023.

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

Our audit was limited to objectives listed on pages 2 to 3 of this report which includes determining compliance with the performance requirements of Measure I General Obligation Bonds under the applicable provisions of Section 1(b)(3)(C) of Article XIII A of the California Constitution and the requirements Proposition 39 as they apply to the bonds and net proceeds thereof. Management of the District is responsible for Alameda Unified School District's compliance with those requirements.

Solely to assist us in planning and performing our performance audit, we obtained an understanding of the internal controls of Alameda Unified School District to determine the audit procedures that are appropriate for the purpose of providing a conclusion on the District's compliance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express any assurance on the internal control.

The results of our tests indicate that, in all significant respects, Alameda Unified School District expended Measure I General Obligation Bonds funds for the year ended June 30, 2023 only for the specific projects developed by the District's governing board and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution.



San Francisco, California
December 15, 2023

Measure I Bond Building Fund of Alameda Unified School District Objectives, Scope, Methodology and Conclusions For the Year Ended June 30, 2023

1. COMPLIANCE WITH CERTAIN APPLICABLE LAWS AND REGULATIONS

OBJECTIVES

The objective of our performance audit was to determine whether the District expended Measure I General Bond funds for the period July 1, 2022 to June 30, 2023 only for the purposes approved by the voters and only on the specific projects developed by the District's Board of Trustees, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution.

SCOPE

The District provided to us a list of all Measure I General Bond project expenditures for the period from July 1, 2022 to June 30, 2023 (the "List").

METHODOLOGY

We performed the following procedures related to the List of Measure I General Bond project expenditures for the period July 1, 2022 to June 30, 2023:

Facility Project Expenditures

We selected a representative sample of expenditures charged to the Measure I Bond Building Fund and reviewed supporting documentation to ensure funds were properly expended on specific project(s) listed in the text of the Measure I ballot.

We tested approximately \$6.88 million of expenditures or 93% of total 2022-23 Measure I Bond Building Fund expenditures for validity, allowability, and accuracy and that the sampled expenditures were in compliance with the terms of Measure I ballot language, the District approved facilities plan, and applicable state laws and regulations.

Personnel Expenditures

We selected a sample of salaries and benefits charged to the Measure I Bond Building Fund to verify that the personnel expenditures were allowable per Opinion 04-110 issued on November 9, 2004 by the State of California Attorney General, which concluded that "a school district may use Proposition 39 school bond proceeds to pay the salaries of district employees to the extent they perform administrative oversight work on construction projects authorized by a voter approved bond measure."

We tested approximately \$106,679 of personnel costs charged to Measure I funds. We reviewed personnel files and personnel action reports for proper allocation of salaries and benefits. Based on our testing, salary transactions were not used for general administration operations.

CONCLUSION

The results of our tests indicate that in all significant respects the expenditures were properly expended on specific projects listed in the text of the ballot language for Measure I General Bond Funds. In addition, funds that were used to pay salaries of district employees were allowable per Opinion 04-110.

Measure I Bond Building Fund of Alameda Unified School District Objectives, Scope, Methodology and Conclusions For the Year Ended June 30, 2023

2. COMPLIANCE WITH DISTRICT POLICY FOR BID PROCEDURES AND CHANGE ORDERS

OBJECTIVES

Determine that the bid procedures change order procedures are in compliance with applicable Board of Trustee policy.

SCOPE

The District provided to us a list of all Measure I General Bond contracts awarded and change orders for the period from July 1, 2022 to June 30, 2023 (the "List").

METHODOLOGY

We performed the following procedures related to the List of Measure I General Bond contracts awarded and change orders for the period July 1, 2022 to June 30, 2023:

Contract and Bid Procedures

We reviewed a listing of contracts awarded during the fiscal year ended June 30, 2023 and selected a sample to ensure that contracts for public projects followed appropriate bidding procedures per applicable Public Contract Code. Additionally, we reviewed overall expenditures by vendor in order to determine if multiple projects under the applicable bidding threshold were identified to suggest any possible bid-splitting.

There were no bids performed in 2023 for projects related to Measure I.

Contracts and Change Orders

We reviewed a listing of contracts and change orders during the fiscal year ended June 30, 2023 and selected a sample to ensure that change orders were properly approved and in accordance with District's policies. Additionally, cumulative change orders for any given contract were reviewed to ensure that total change orders did not exceed ten percent of the total original contract.

We reviewed 3 of 8 change orders. Listed below are the change orders selected for review:

- District lock project phase 4 amendment
- Earhart modernization CO #1
- Alameda High School boiler CO #2

We verified that the total aggregate amount of the change orders did not exceed ten percent of the total original contract.

CONCLUSIONS:

The objectives were met in all significant respects.

