

ONTARIO-MONTCLAIR SCHOOL DISTRICT

BUILDING FUND (MEASURE T) FINANCIAL AND PERFORMANCE AUDIT

JUNE 30, 2014

ONTARIO-MONTCLAIR SCHOOL DISTRICT

BUILDING FUND (MEASURE T) FINANCIAL AUDIT

JUNE 30, 2014

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FINANCIAL SECTION

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FINANCIAL SECTION

Cartified Dublic Accountants

Governing Board and Citizens' Oversight Committee Ontario-Montclair School District Ontario, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Ontario-Montclair School District's (the District),

| | Opinion Control of Con | |
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| | In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Building Fund (Measure T) of the Ontario-Montclair School District at June 30, 2014, and the | |
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As discussed in Note 1, the financial statements present only the Building Fund specific to Measure T, and are not

Emphasis of Matter

| BUILDING FUND (MEASURE T) BALANCE SHEET JUNE 30, 2014 ASSETS Deposits and investments \$ 42,853 | | | | | | | |
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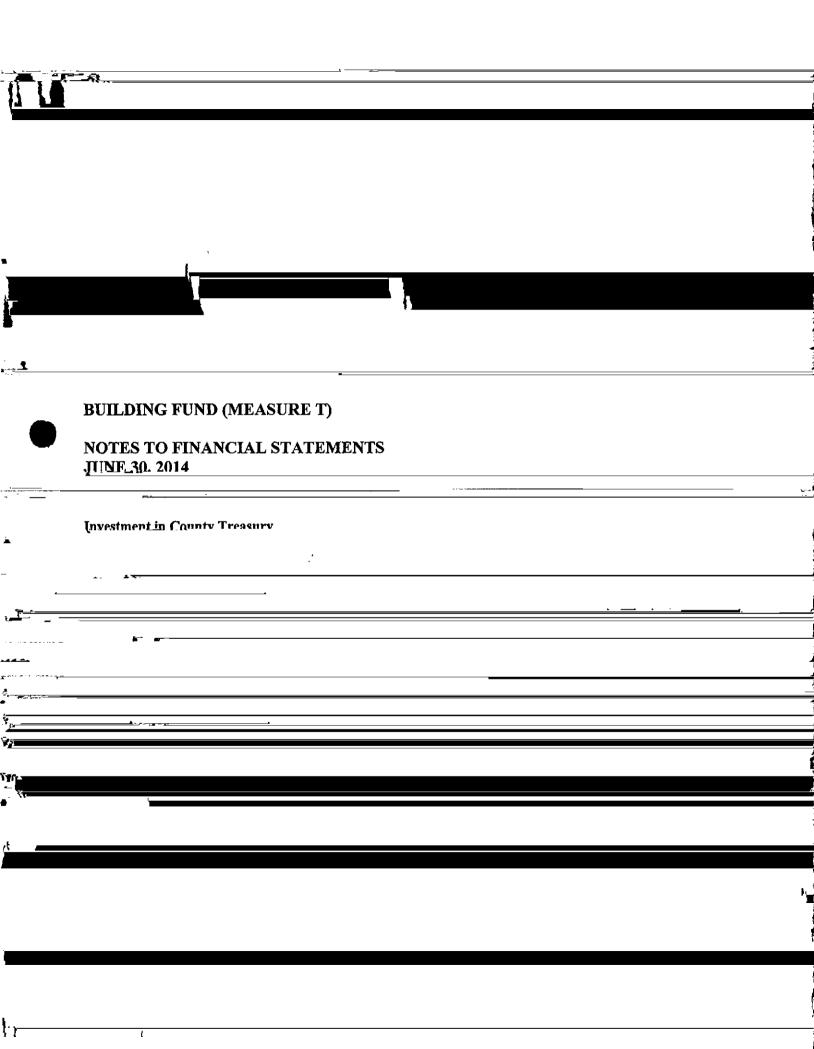
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED JUNE 30, 2014

| REVENUES Interest | \$ 16,637 |
|---|-----------|
| Other local revenue | 762 |
| Total Revenues | 17,399 |
| EXPENDITURES | |
| Facilities acquisition and construction | |
| Supplies | |
| Materials | IN1 416. |
| A ** | |
| Services | |
| Repairs/service-vendor | 67,620 |
| Other services/operating expense | 400,013 |

| Building/improve construction | 604,072 |
|--|--------------|
| Equipment | 26,082 |
| Total Facilities Acquisition and Construction Expenditures | 1,206,878 |
| Interest and other | 101,538 |
| Total Expenditures | 1,308,416 |
| DEFICIENCY OF REVENUES OVER EXPENDITURES | (1,291,017) |
| Other Financing Sources (Uses): | |
| Other sources - proceeds from bond issuance | 19,835,000 |
| Other uses - payment to refunded bond escrow agent | (19,733,462) |

| | BUILDING FUND (MEASURE T) | |
|-------------------|---|--|
| | NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 | |
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| | NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 | | | | |
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ONTARIO-MONTCLAIR SCHOOL DISTRICT

| NOTES TO FINANCIAL ST | TATEMENTS |
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| JUNE 30, 2014 | |

Accounts receivable at June 30, 2014, consisted of the following:

NOTE 4 - INTERFUND TRANSFER

The Building Fund transferred \$5,000,404 to the County School Facilities Fund for the reimbursement of qualifying capital expenditures.

NOTE 5 - COMMITMENTS AND CONTINGENCIES

As of June 30, 2014, the Building Fund (Measure T) had the following commitments with respect to unfinished capital projects:

| | Remainin | ng Expected | |
|--|------------|----------------|--|
| | Constructi | ion Date of | |
| MEASURE T PROJECTS | Commitme | ent Completion | |
| Vineyard Relo AE59 | \$ 48 | ,000 12/31/14 | |
| Prop 39/ Energy Savings Projects | 400 | ,000 12/31/14 | |
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INDEPENDENT AUDITOR'S REPORT



Vavrinek, Trine, Day & Co., LLP

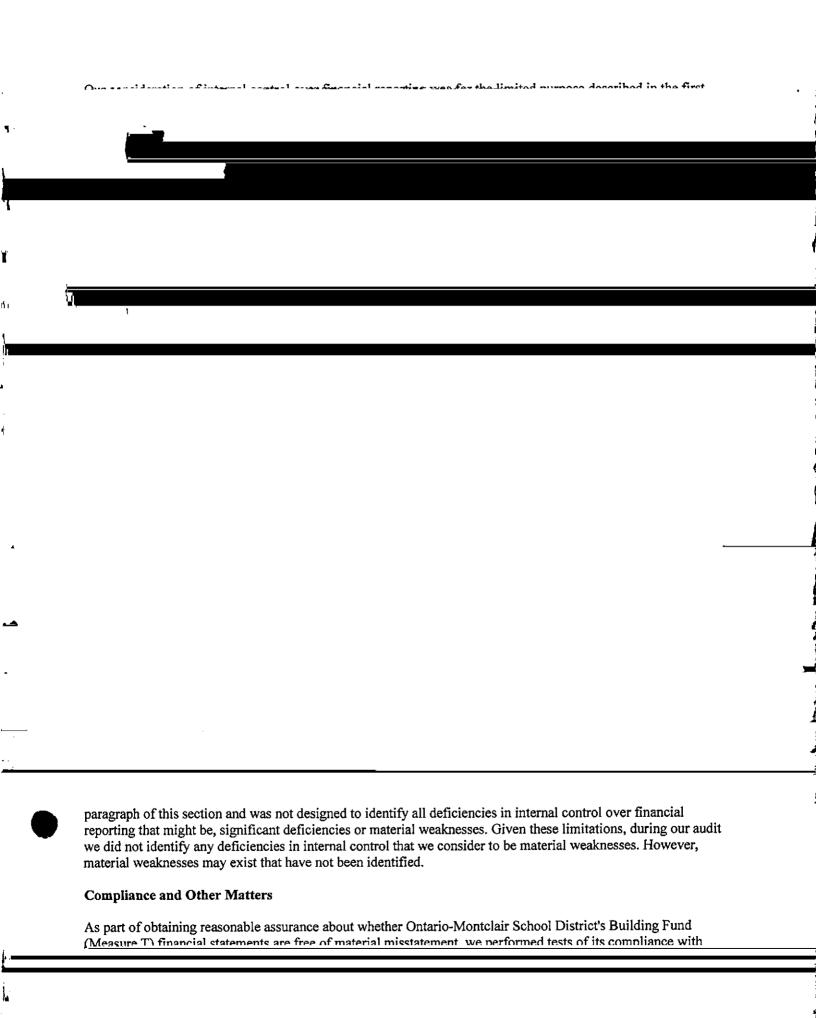
Certified Public Accountants



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Governing Board and Citizens' Oversight Committee Ontario-Montclair School District Ontario, California

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FINANCIAL STATEMENT FINDINGS JUNE 30, 2014

None reported.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS JUNE 30, 2014

There were no audit findings reported in the prior year's schedule of financial statement findings.

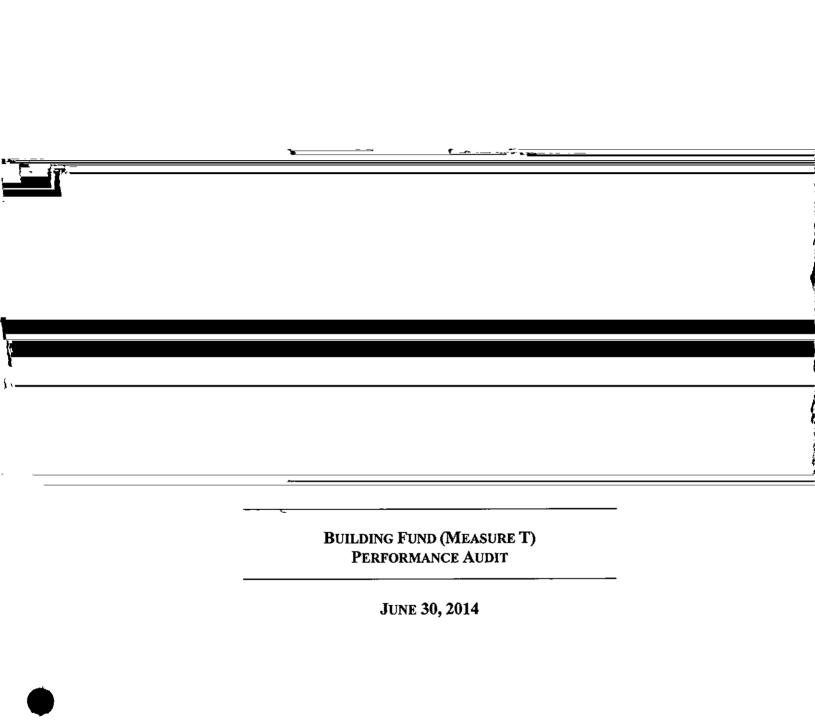
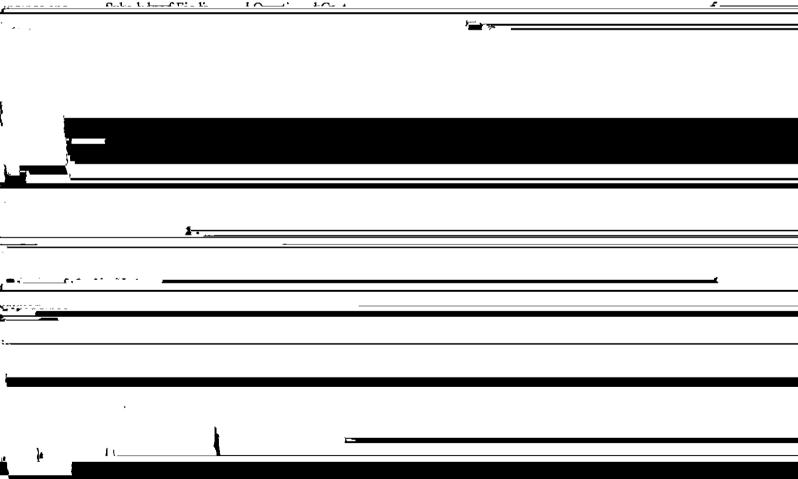


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Vavrinek, Trine, Day & Co., LLP

Certified Public Accountants



INDEPENDENT AUDITOR'S REPORT ON PERFORMANCE

Governing Board and Citizens' Oversight Committee Ontario-Montclair School District Ontario, California

| We conducted this performance audit in accordance with the standards applicable to performance audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards | | We were engaged to conduct a performance audit of the Ontario-Montclair School District (the District) Building |
|--|----------|---|
| We conducted this performance audit in accordance with the standards applicable to performance audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards | | Fried Adorson The founds fourther some and ad time 20 2014 |
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JUNE 30, 2014

AUTHORITY FOR ISSUANCE

The Measure T Bonds are issued pursuant to the Constitution and laws of the State of California (the State), including the provisions of Chapters 1 and 1.5 of Part 10 of the California *Education Code*, and other applicable provisions of law. The Bonds are authorized to be issued by a resolution adopted by the Board of Trustees of the District (the Resolution). The County has adopted a resolution pursuant to Section 1540(b) of the *Education Code*, which authorizes school districts and community college districts to issue bonds on their own behalf, and, pursuant to which, the Bonds are being issued by the District.

The District received authorization at an election held on November 5, 2002, to issue bonds of the District in an

JUNE 30, 2014

| 4. | Requires the school district to conduct an annual independent financial audit and performance audit in |
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| | accordance with the Government Auditing Standards issued by the Comptroller General of the United |
| | States of the bond proceeds until all of the proceeds have been expended. |

| 5. | Requires the school district to conduct an annual independent performance audit to ensure that the |
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| | finds have been armended anter on the anaetic musicate listed |

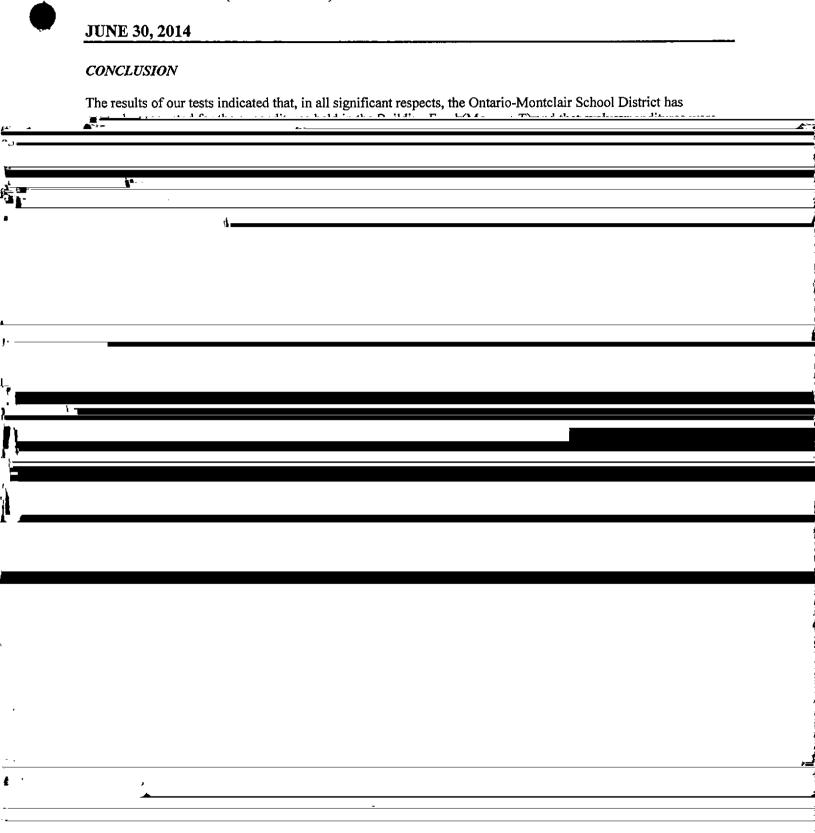
OBJECTIVES OF THE AUDIT

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

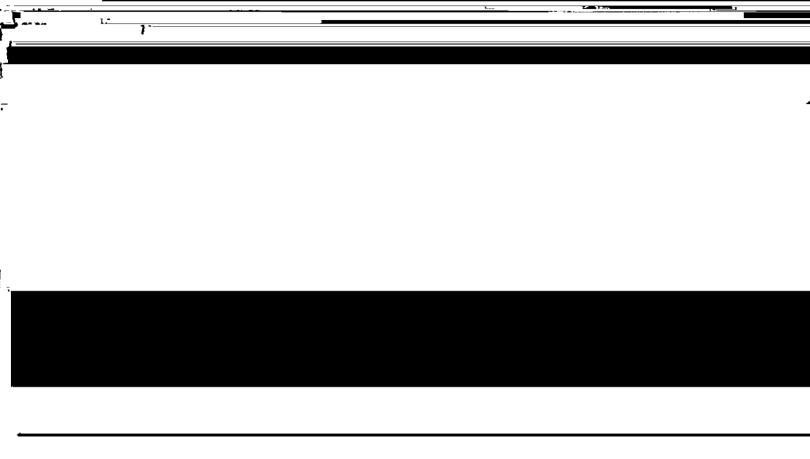
SCOPE OF THE AUDIT

The scope of our performance audit covered the period of July 1, 2013 to June 30, 2014. The population of expenditures tested included all object and project codes associated with the bond projects. The propriety of expenditures for capital projects and maintenance projects funded through other State or local funding sources, other than proceeds of the bonds, were not included within the scope of the audit. Expenditures incurred subsequent to June 30, 2014, were not reviewed or included within the scope of our audit or in this report.

made for authorized bond projects.



SCHEDULE OF FINDINGS AND QUESTIONED COSTS JUNE 30. 2014



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS JUNE 30, 2014

There were no audit findings reported in the prior year's schedule of financial statement findings.