2014-2015 Financial Audit: Building Fund (Measure T) Report

ONTARIO-MONTCLAIR SCHOOL DISTRICT

BUILDING FUND (MEASURE T)
FINANCIAL AND PERFORMANCE AUDIT

JUNE 30, 2015

ONTARIO-MONTCLAIR SCHOOL DISTRICT

BUILDING FUND (MEASURE T)
FINANCIAL AUDIT

JUNE 30, 2015

ONTARIO-MONTCLAIR SCHOOL DISTRICT
BUILDING FUND (MEASURE T)

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Governing Board and

[redacted]

Ontario-Montclair School District
Ontario, California

[redacted]

[redacted]

Opinion

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, 2015, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Building Fund specific to Measure T, and are not intended to present fairly the financial position and changes in financial position of Ontario-Montclair School District in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2015, on our consideration of the District Building Fund's (Measure T) 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

ONTARIO-MONTCLAIR SCHOOL DISTRICT
BUILDING FUND (MEASURE T)

BALANCE SHEET
JUNE 30, 2015

ASSETS		
Deposits and investments	$	48
Accounts receivable		9
Total Assets	$	57
LIABILITIES AND FUND BALANCE		
Liabilities		
Due to other funds	$	57

The accompanying notes are an integral part of these financial statements.

ONTARIO-MONTCLAIR SCHOOL DISTRICT
BUILDING FUND (MEASURE T)

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2015

REVENUES	
Interest	$ 631
EXPENDITURES	
Facilities acquisition and construction	
Capital outlay	
Building/improve construction	45,653
NET CHANGE IN FUND BALANCE	(45,022)
FUND BALANCE - BEGINNING	45,022
FUND BALANCE - ENDING	$ -

The accompanying notes are an integral part of these financial statements.

ONTARIO-MONTCLAIR SCHOOL DISTRICT
BUILDING FUND (MEASURE T)

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Ontario-Montclair School District (the District) Building Fund (Measure T)

Encumbrances

The District utilizes an encumbrance accounting system under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are liquidated when the commitments are paid and all outstanding encumbrances lapse at June 30.

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules 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
[illegible]	[illegible]	[illegible]	[illegible]
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	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

NOTE 4 - INTERFUND RECEIVABLES/PAYABLES (DUE TO/DUE FROM)

Interfund payable balance at June 30, 2015, was as follows:

Due to other funds - Special Reserve Fund for Capital Outlay Projects	$ 57

A balance of $57 is due to the Special Reserve Fund for Capital Outlay Projects from the Building Fund for the reimbursement of project costs.

INDEPENDENT AUDITOR'S REPORT

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Vavrinek, Trine, Day & Co., LLP
Certified Public Accountants

VALUE THE DIFFERENCE

Our consideration of internal control over financial reporting was for the limited purpose described in the first

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reporting that might be significant deficiencies or material weaknesses. 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

[redacted]

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

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FINANCIAL STATEMENT FINDINGS
JUNE 30, 2015

None reported.

ONTARIO-MONTCLAIR SCHOOL DISTRICT
BUILDING FUND (MEASURE T)

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

ONTARIO-MONTCLAIR SCHOOL DISTRICT

BUILDING FUND (MEASURE T)

PERFORMANCE AUDIT

JUNE 30, 2015

ONTARIO-MONTCLAIR SCHOOL DISTRICT
BUILDING FUND (MEASURE T)

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Vavrinek, Trine, Day & Co., LLP
Certified Public Accountants

VALUE THE DIFFERENCE

INDEPENDENT AUDITOR'S REPORT ON PERFORMANCE

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

We were engaged to conduct a performance audit of the Ontario-Montclair School District (the District) Building Fund (Measure T) funds for the year ended June 30, 2015.

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 require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis

[redacted]

BUILDING FUND (MEASURE T)

JUNE 30, 2015

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

[redacted]

[redacted]

JUNE 30, 2015

4. Requires the school district to conduct an annual independent financial audit and performance audit in 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. [redacted]

[redacted]

[redacted]

JUNE 30, 2015

CONCLUSION

[redacted]

[redacted]

[redacted]

[redacted]

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2015

None reported.

ONTARIO-MONTCLAIR SCHOOL DISTRICT
BUILDING FUND (MEASURE T)

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
[redacted]

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