



Annual Report

July 1, 2005 – June 30, 2006

El Camino Community College District

Citizens' Bond Oversight
Committee

Citizens' Bond Oversight Committee Annual Report 2005-2006

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Executive Summary

The charter of the El Camino College Citizens' Bond Oversight Committee is to inform the public concerning bond revenue expenditures and to actively "review and report" on the expenditure of these funds. Our committee comprises a cross section of the citizenry who have volunteered their time to represent various constituencies, and fulfill the responsibilities listed above.

During this fourth year of existence, our committee has met on a regular basis; reviewing expenditures, touring campus renovations, asking questions, and expressing our concerns and recommendations. This Annual Report of the El Camino College Citizens' Bond Oversight Committee documents the results of these activities and serves to fulfill the basic tenets of our charter.

Within this report are the agendas and minutes of our open public meetings, as well as the independent audit for the fiscal year ending June 30, 2006, performed by the firm of Vicenti Lloyd & Stutzman LLP. Our committee examined and reviewed this audit, the results of which are contained herein.

A summary of Bond Expenditures for the FY ending June 30, 2006:

Additional Classrooms & Modernization	\$ 5,621,031
Health & Safety Improvements	\$ 4,022,705
Information Technology & Equipment.....	\$ 216,856
Campus Site Improvements	\$ 1,014,593
Energy Efficiency Improvements	\$ 35,312
Subtotal	\$10,910,497
Bond Related Expenses.....	\$ 565,063
 Total Expenditures	 \$11,475,560

Leandro Carde
Chairman
El Camino College Citizens' Bond Oversight Committee

Statement of Compliance

In compliance with requirements of Article XIII A, Section 1 (b)(3) of the California Constitution and meeting requirements of the Certificate of Disclosure contained herein, we the undersigned members of the Citizens' Bond Oversight Committee as of June 30, 2006 do verify that this is a true and valid Annual Report, July 1, 2005 through June 30, 2006. Dated this _____ day of _____, 2007.

Lou Garcia

Shannon Presley

Chris Powell

Judith Gibson

David Nordel

Robert Hammond

Leandro Carde

Janina G. Velasquez

Raymond Roney

Citizens' Bond Oversight Committee 2006

Leandro Carde, an Inglewood businessman, represents the area business community for the committee. He is also a member of the Lawndale Rotary Club, the American Legion, the National Association of Realtors, the California Association of Realtors, and the Inglewood Apartment Owners Association. He is a graduate of El Camino College.

Lou Garcia, a Redondo Beach resident, is the former city manager of Redondo Beach. In addition to serving in several management positions in a variety of cities across California, he also ran his own consulting firm. Mr. Garcia is also a member of the El Camino College Foundation Board. He has a master's degree in public administration and a bachelor's degree in police science and administration, both from California State University, Los Angeles. He is a member of his Homeowner's Association and serves as a taxpayer association representative.

Judith Gibson, of Torrance, is a member of the Torrance Planning Commission and a founding member of the Torrance Education Foundation. She will serve on the oversight committee as the representative for Trustee Area 5. Ms. Gibson is also a member of the Torrance Unified School District Facilities Ad Hoc Committee, and is a 17-year PTA member. In the community, she has been a Parks and Recreation Commissioner, and a Community Services Commissioner, among many other leadership positions.

Robert Hammond, of Manhattan Beach, is a retired financial manager and serves as an at-large member of the committee. He was a vice president in the Private Client Services group of Goldman, Sachs & Co., working as a financial manager from 1976 until his retirement in 1997. Hammond has also been a student at El Camino College for two years, taking 32 units of science and math courses.

Darlene Love, of Hawthorne, serves as the senior organization representative. She is active in Women's Club and Gad-Abouts.

David Nordel is a freshman at El Camino College, studying electrical engineering. After graduation, he plans to transfer to UCLA, followed by law school. He is a member of the award-winning El Camino College forensics team where he competes in parliamentary debate, extemporaneous speaking, and impromptu speaking. David is also the ASO student senate leader as well as senator for the Mathematics and Science Division. He is an Eagle Scout and a Torrance resident.

Chris Powell, an El Segundo resident, is the chief financial officer at Washington Iron Works in Gardena and represents Trustee Area 4 on the oversight committee. He is also president of the El Segundo Unified School District Board of Education, where he has been a member since 1995. As a school board member, he oversaw \$65 million in modernization and new construction to district facilities, and served as board liaison to the facilities, oversight, and construction steering committees.

Shannon Presley, of Redondo Beach, is a sales representative at Virco Manufacturing Corporation in Torrance and serves as the Foundation member of the oversight committee. She has a bachelor's degree in interior design from the Pratt Institute, School of Art and Design in Brooklyn; and a master's degree in management from the University of Redlands, Whitehead College. She serves as the Foundation Representative.

Raymond Roney, former El Camino College dean of instructional services, is a member at-large. He served on numerous committees while at El Camino College, filling leadership roles while also taking time to mentor students. In the community, he volunteers for the Inglewood Unified School District, the Los Angeles Urban League, the California African American Museum and the United Way, among other activities.

Janina G. Velasquez of Hawthorne is the executive director of the El Camino College Federation of Teachers, overseeing the federation office, interacting with faculty, staff and management relating to contract issues. She is also a member of the Hawthorne Women's Club International Association for the Protection of Intellectual Property.

Citizens' Bond Oversight Committee

<i>Name</i>	<i>City of Residence</i>	<i>Occupation</i>	<i>Representing</i>	<i>Length of Term</i>
Mr. Leandro Carde	Inglewood	Real Estate Broker, Income	Business Organizations	Two Years 3/05-3/07
Mr. Lou Garcia	Redondo Beach	Independent Scholar	Taxpayer Organizations	Two Years 3/06-3/08
Ms. Judith Gibson	Torrance		Trustee Maureen O'Donnell	Two Years 3/06-3/08
Mr. Robert Hammond	Manhattan Beach	Retired Stock Broker	Trustee William Beverly	Two Years 3/05-3/07
Ms. Darlene Love	Hawthorne		Senior Organizations	Two Years 7/06-7/08
Mr. David Nordel	Torrance	Student	Student Body	One Year 3/06-3/07
Mr. Chris Powell	El Segundo	CFO, Washington Iron Works	Trustee Ray Gen	Two Years 3/06-3/08
Ms. Shannon Presley	Redondo Beach	Sales Representative	Foundation	Two Years 3/06-3/08
Mr. Raymond Roney	Ladera Heights	Publisher	Trustee Nathaniel Jackson	Two Years 3/05-3/07
Mrs. Janina Velasquez	Hawthorne	Labor Union Director	Trustee Mary Combs	Two Years 3/05-3/07

Each Term may be repeated once. Student members serve one year only.

Year Four Commentary

July 1, 2005 through June 30, 2006

During the fourth year of El Camino College's facilities master plan work, the college completed one project and began construction on several others. Funding for this work has come from funds provided in the 2003 Series A issuance. In addition El Camino College refinanced Series A which provided \$6,866,756 of additional funding. In addition, \$ 1,956,633 of interest income was earned on unspent funds.

Milestones:

- Completed work on the Science Complex Renovation project
- Board approved significant changes to Facilities Master Plan in February 2005 in order to begin addressing significant increase in construction costs
- Entered into a contract with contractor for Phase 1 electrical infrastructure work
- Awarded bids for modular site infrastructure and modular classrooms
- Awarded bids and began work on Humanities building construction
- Awarded contract to Maas to provide services to college, including program management, construction management, and state funding acquisition
- Entered into a contract for design and engineering of the Bookstore/Cafeteria
- Committee amended by-laws to bring into line with current practices and legal issues
- Board passed resolution 2006-1 to authorize sale of an additional NTE \$150,000,000 in Measure E bonds

Challenges:

- Construction inflation is increasing at the rate of anywhere from 12% to 24% per year. This has already been reflected in construction awards to date and is expected to continue in the coming years. Without the securing of additional funds the college will need to either eliminate projects in their entirety or severely reduce projects. While the college has already made several modifications more work needs to be done.
- Department of State Architect (DSA) approval delays are impacting the master plan budget. With the substantial increase in construction costs this delay is an added factor in the increase in actual bid awards versus budgets. These delays are causing, and will continue to cause, the original master plan to fall behind schedule.
- The original Master Plan called for the use of campus center fees to help fund the cost of the new Student Services Building. This can only be accomplished with a positive election vote of the students. Since this is unlikely the District will address these funding needs by other means.
- The college has reformatted the monthly project list of expenditures to provide more detail of actual committed expenditures in order to allow for closer monitoring of budget versus actual costs. The college will need to continue this process as the construction market and specific projects develop.
- It is the strong feeling of the committee that El Camino College needs to immediately begin the process of educating the public on the current construction environment and the difficult decisions they will face in order to complete the facilities master plan.
- The facilities master plan outlined by the college is a very extensive and involved undertaking. The college has retained several highly qualified project and construction managers to oversee

the work. However, it is critical that the college continue to closely monitor both the work of these consultants and the overall project in order to be certain the substantial funds are being properly spent.

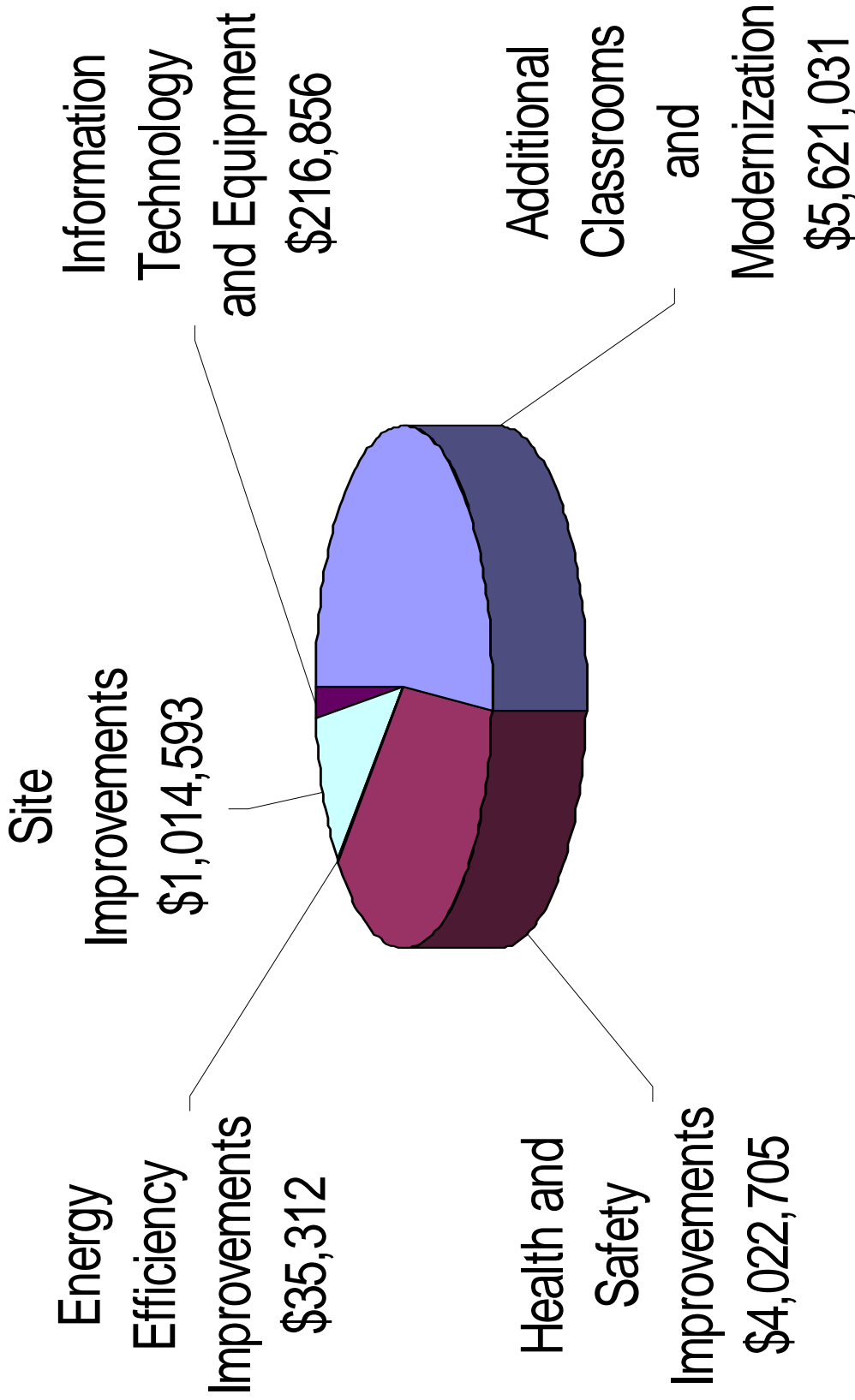
- The committee has in the past received and reviewed both an independent certified Performance Audit and Financial Audit, both required by state law. The past two years the committee received a Performance Audit and the Board of Trustees received a Financial Audit. The Financial Audit is available on the El Camino College Web Site - <http://www.elcamino.edu/administration/bond/>.
- Proposition 39 requires a minimum number of oversight committee members (seven) as well as specific affiliations of the members in order to guarantee a cross-section of the community is represented. It is critical that the board of education and administration monitor the membership make-up to assure on-going compliance with state law.

Facilities Master Plan Funding*

Source	Total Income Budget	Income Received as of June 30, 2006	Uncollected Income as of JULY 1, 2006
State Capital Construction Program	\$33,900,000	\$339,063	\$33,560,937
State Scheduled Maintenance Program	15,600,000	1,259,487	14,340,513
State Hazardous Substance Program	2,200,000	412,414	1,787,586
Redevelopment Funds	1,300,000	307,869	992,131
Campus Center Fees	2,000,000	0	2,000,000
Parking Fees	700,000	120,000	580,000
Bookstore/Food Services	700,000	0	700,000
General Fund Unrestricted	0	0	0
State Equipment & Library Materials Program	9,100,000	1,533,955	7,566,045
Measure E Bond Funds	394,516,464	63,700,000	330,816,464
Interest	<u>0</u>	<u>4,157,280</u>	<u>-4,157,280</u>
Total	<u>\$460,016,464</u>	<u>\$71,830,068</u>	<u>\$388,186,396</u>

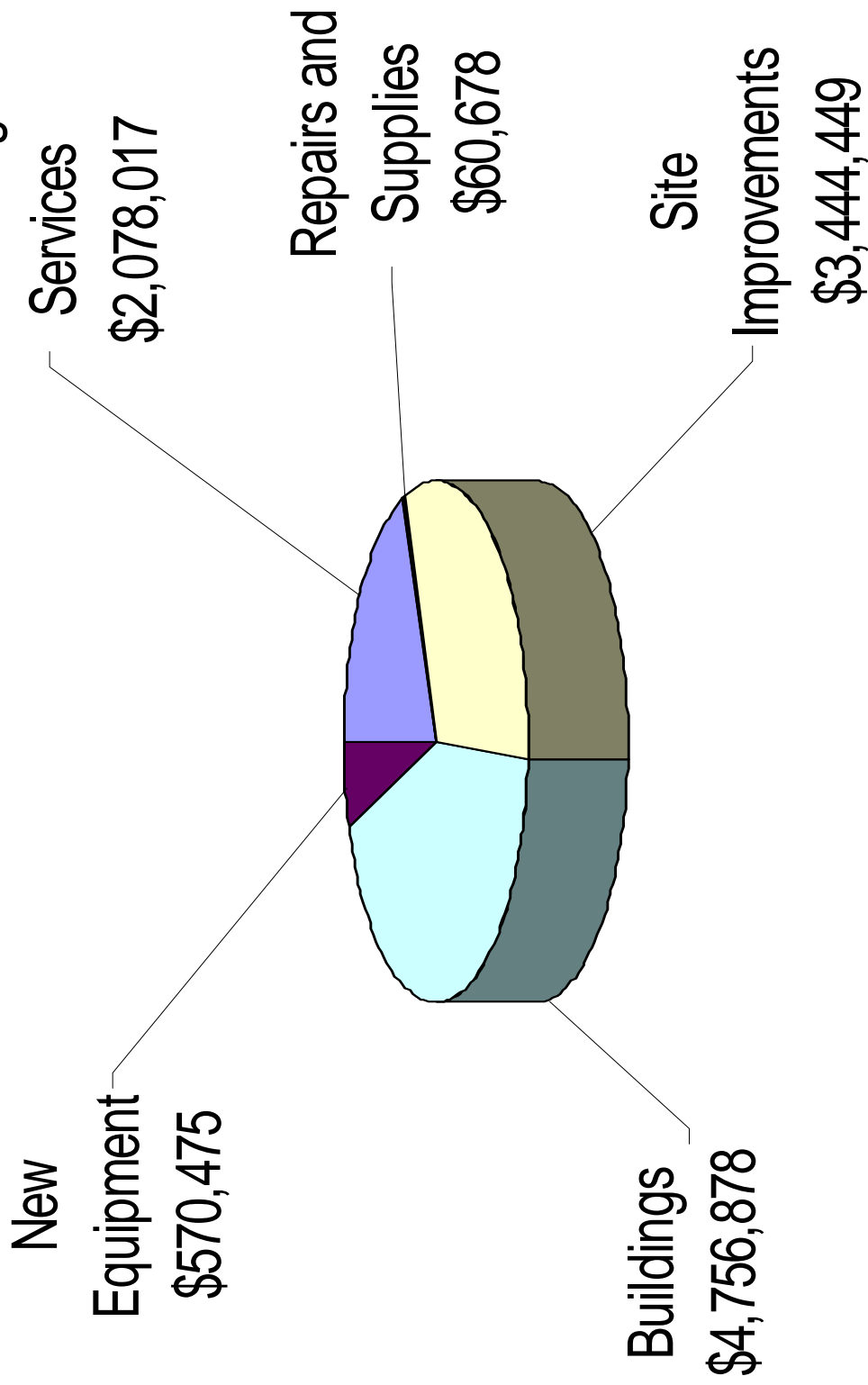
* This chart includes both Capital Outlay and Voter Approved Bond Construction Funds.

General Obligation Bond Fund Expenditures FY 2005-2006 (by Category)

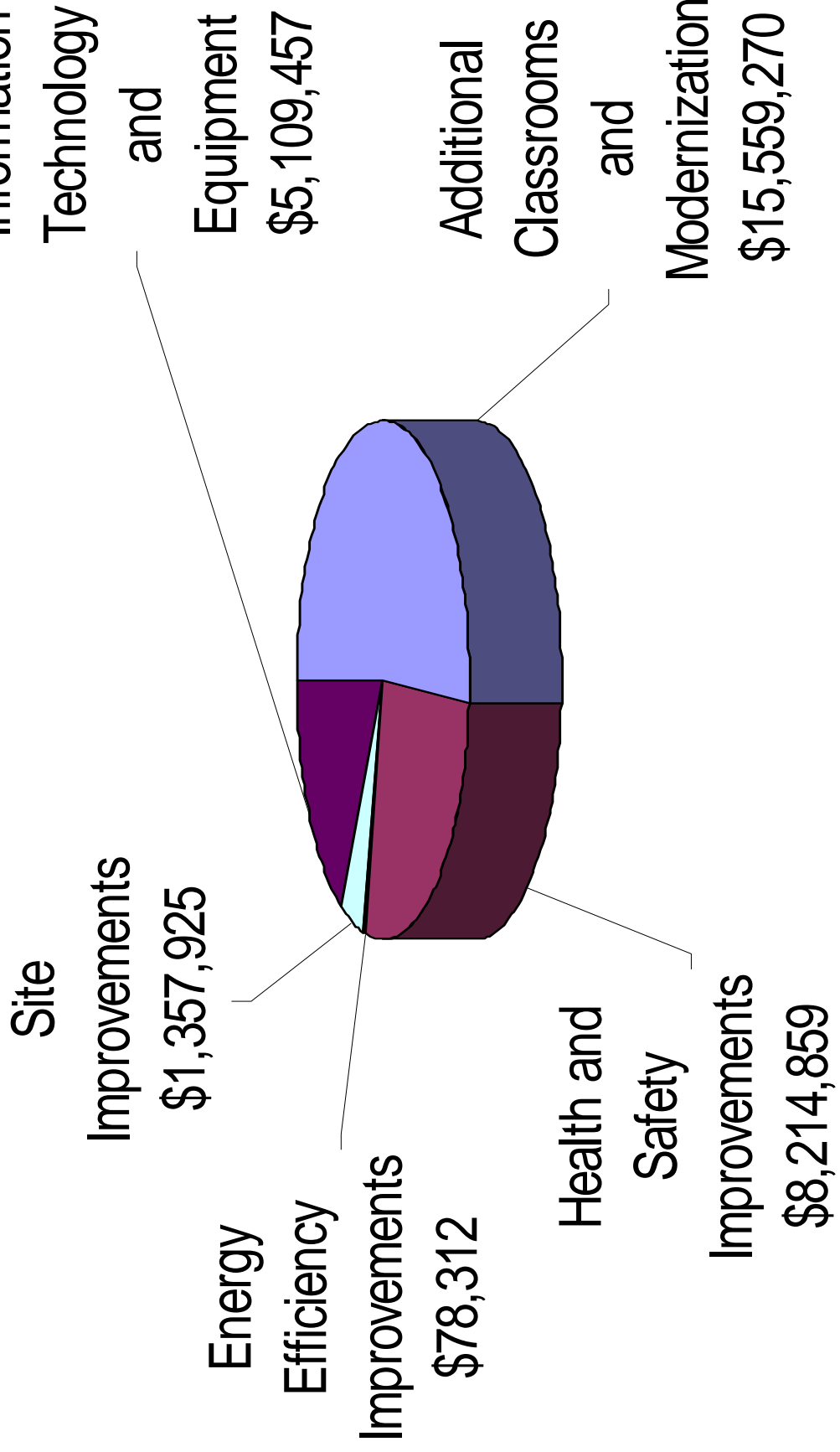


General Obligation Bond Fund Expenditures

FY 2005-2006



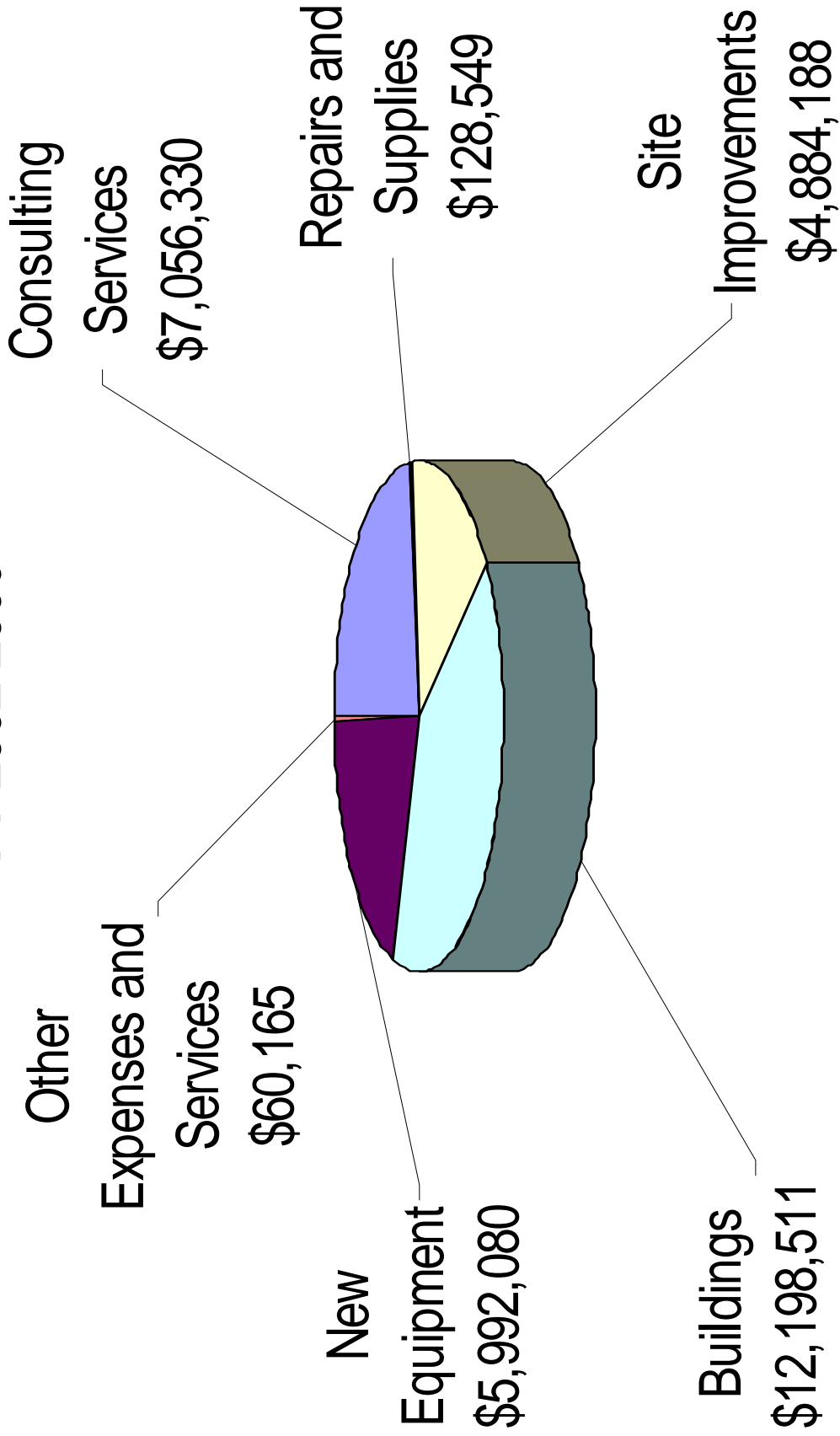
General Obligation Bond Fund Expenditures FY 2002-2006 (by Category)



Source Data: Colleague Financial System

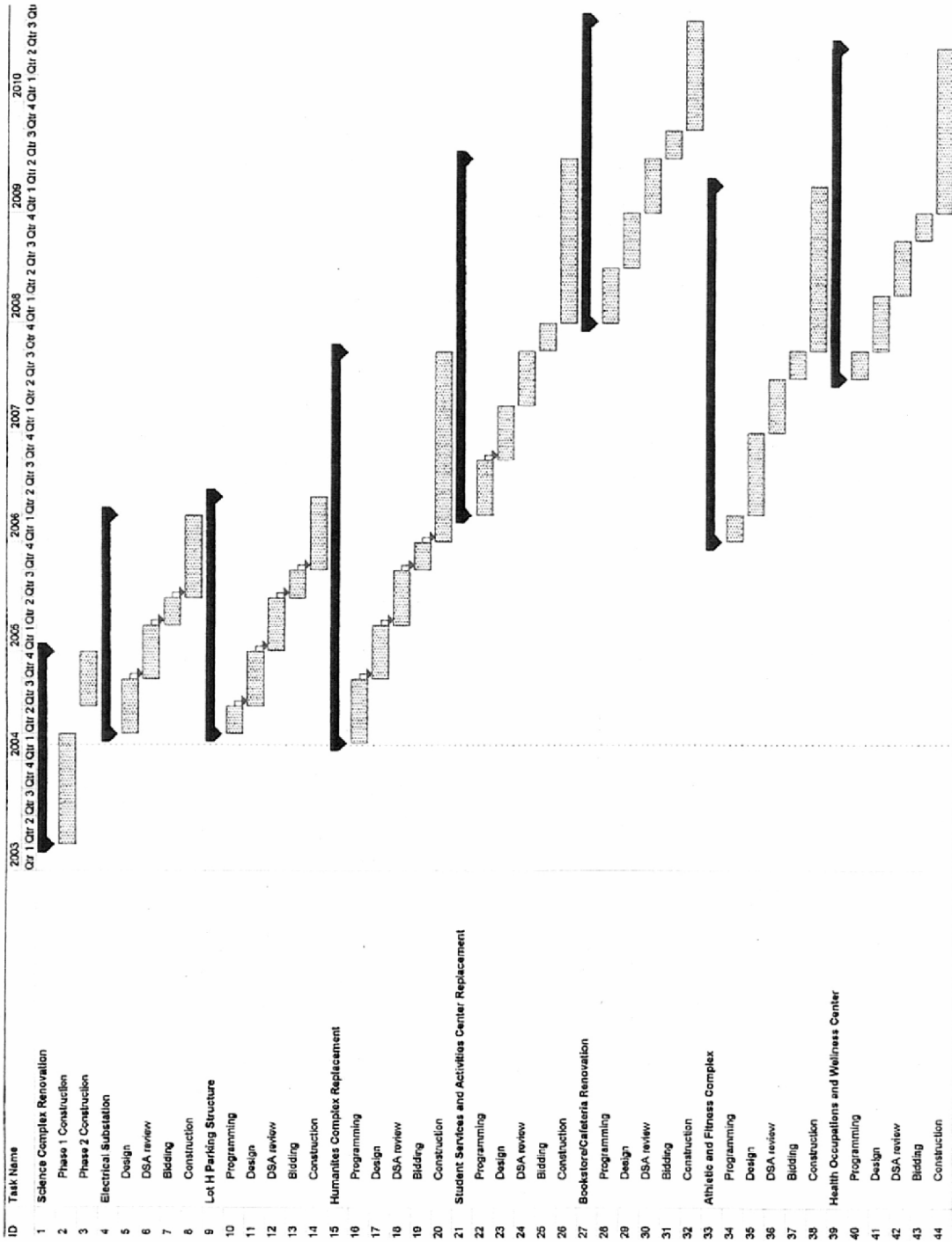
General Obligation Bond Fund Expenditures

FY 2002-2006



Source Data: Colleague Financial System

FACILITIES MASTER PLAN INITIAL PROJECTS TIMELINE



Source Data: Colleague Financial System

EL CAMINO COLLEGE
FACILITIES MASTER PLAN SCHEDULE
AUGUST 2006

#	PROJECT*	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	1	1	1	1	1	1	1	1	1
		4	5	6	7	8	9	0	1	2	3	4	5	6	7	8
1	SCI COMPLEX RENO	■														
2	INFRASTRUCTURE 1	■	■	■	■	■	■	■								
3	MODULE MODIFICATIONS		■	■	■											
4	HUMANITIES	■	■	■	■	■										
5	DEMOLITION		■	■												
6	CONSTRUCTION			■	■	■	■	■								
7	PARKING STRUCTURE	■	■	■	■	■	■	■	■							
8	INFRASTRUCTURE 2		■	■	■	■	■	■	■							
9	LRC	■	■	■	■	■	■	■	■							
10	CAFETERIA CONVERSION			■	■	■	■	■	■							
11	MODULE MODIFICATIONS				■	■	■	■								
12	SSC			■	■	■	■	■	■	■						
13	INFRASTRUCTURE 3			■	■	■	■	■	■	■						
14	TRACK & FIELDHOUSE				■	■	■	■	■	■						
15	LIFE SCI BASEMENT					■	■	■	■	■						

		2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		0	0	0	0	0	0	1	1	1	1	1	1	1	1	1	1
		4	5	6	7	8	9	0	1	2	3	4	5	6	7	8	
16	HEALTH OCCUPATIONS																
17	BUSINESS																
18	TECHNICAL ARTS																
19	ADMINISTRATION																
20	SHOPS & CONST TECH																
21	LIBRARY																
22	MCS & PLANETARIUM																
23	SOUTH PE																
24	SOCIAL SCIENCES																
25	MARSEE AUDITORIUM																
26	NORTH PE																
27	ART & BEH SCI																
28	FAC & REC																
29	MUSIC & C-THEATER																
30	STADIUM																

COLOR LEGEND			
DESIGN	DSA REV	BIDDING	CONST

* Some of the project titles used are new. This is due to limited column width and regrouping of projects and project components. The table on the following page relates these titles with those used in the 2005 Project Budgets.

NOTE: Two projects, the Child Development Center Phase Two and Architectural Barrier Removal Phase Two will be constructed if state funding is obtained. The schedule for these two projects will be determined by the

currently unknown state funding cycle.

#	SCHEDULE PROJECT TITLE	2005 PROJECT BUDGET TITLE	CONSTRUCTION DATES
1	SCI COMPLEX RENO	Science Complex Renovation	April 2003 - December 2004
2	INFRASTRUCTURE 1	Primary Electrical Distribution System	October 2005 - March 2007
3	MODULE MODIFICATIONS	Temporary Space and Relocation Costs	June 2005 - August 2005
4	HUMANITIES	Humanities Complex Replacement	September 2005 - June 2007
5	DEMOLITION	Humanities Complex Replacement	September 2005 - December 2005
6	CONSTRUCTION	Humanities Complex Replacement	April 2006 - June 2007
7	PARKING STRUCTURE	Lot H Parking Structure	July 2006 - June 2007
8	INFRASTRUCTURE 2	Central Plant & Various Site Utilities	October 2006 - June 2007
9	LRC	Learning Resource Center Addition	June 2006 - May 2007
10	CAFETERIA CONVERSION	Bookstore/Cafeteria Conversion to Administration	January 2007 - September 2007
11	MODULE MODIFICATIONS	Temporary Space and Relocation Costs	June 2007 - August 2007
12	SSC	Student Services and Activities Replacement	October 2007 - June 2009
13	INFRASTRUCTURE 3	Various Site Utilities	October 2007 - June 2009
14	TRACK & FIELDHOUSE	Athletic Education and Fitness Complex	April 2008 - March 2009
15	LIFE SCI BASEMENT	Science Complex Renovation	June 2009 - March 2010
16	HEALTH OCCUPATIONS	Health Occupations and Wellness Center	June 2009 - May 2010
17	TECHNICAL ARTS	Technical Arts	June 2010 - May 2011
18	BUSINESS	Business Building Replacement	July 2010 - December 2011
19	ADMINISTRATION	Administration	January 2012 - December 2012
20	SHOPS & CONST TECH	Shops & Construction Technology	January 2012 - March 2013
21	LIBRARY	Library	April 2013 - December 2013
22	MCS & PLANETARIUM	Math & Computer Sciences & Planetarium	April 2013 - March 2014
23	SOUTH PE	Pool and Health Center	January 2014 - December 2014
24	SOCIAL SCIENCES	Social Sciences	July 2014 - March 2015
25	MARSEE AUDITORIUM	Marsee Auditorium	July 2015 - May 2016
26	NORTH PE	Physical Education and Men's Shower & North Gym	July 2015 - May 2016
27	ART & BEH SCI	Art & Behavioral Sciences	April 2016 - June 2017
28	FAC & REC	Facilities and Receiving	April 2016 - June 2017
29	MUSIC & C-THEATER	Music	July 2017 - September 2018
30	STADIUM	Athletic Education and Fitness Complex	April 2018 - December 2018

Continuing Disclosure Certificate

The Continuing Disclosure Certificate is executed and delivered by the El Camino Community College District in connection with issuance of \$63,700,000 General Obligation Bonds, Election of 2002, Series 2003A.

The Bonds are issued pursuant to a resolution of the Board of Supervisors of Los Angeles County adopted on February 11, 2003. The District Resolution and the County Resolution are heretofore referred to as the Resolution.

(See appendix iv for full text of the Continuing Disclosure Certificate)

In compliance with Section 4, Number 2 of the Certificate of Disclosure, here are specific answers relating to the period of July 1, 2005 through June 30, 2006.

- (A)** *State funding received by the District for the last completed fiscal year (2005-2006)*
Combined General Fund unrestricted and restricted- \$67,721,613
- (B)** *Enrollment for the District for the last completed fiscal year (2005-2006)*
Average enrollment – 36,195
- (C)** *Outstanding District indebtedness*
The District had \$62,259,988 of general obligation bonds outstanding as of June 30, 2006.
- (D)** *Assessed valuation for real property in the District for the last completed fiscal year (2005-2006)*
Assessed Valuation - \$68,413,330,820
- (E)** *List of 10 largest taxpayers, together with their assessed valuation of percentage of total assessed valuation for the District for the last completed fiscal year; to the extent such information is available from Los Angeles County.*
On file in the County Assessor's office
- (F)** *Summary financial information on revenues, expenditures and fund balances for the District's general fund reflecting adopted budget for the fiscal year.*
Information contained in annual reports from the District is available through the Office of the Vice President of Administrative Services.

GENERAL OBLIGATION BOND FUND CATEGORIES AND PROJECTS - (Revised 2/28/07)

	ORIGINAL BUDGET	REVISED BUDGET 6/28/06	TOTAL EXPENDED	COMMITTED	BALANCE
<u>Additional Classrooms and Modernization (ACM)</u>					
Acquisitions (0201)	5,000,000	5,000,000	705,866.93		4,294,133.07
Architectural Barrier Removal Phase 2 (0202)	1,529,000	1,529,000	18,582.45	0.00	1,510,417.55
Athletic Education and Fitness Complex (0203)	15,718,000	15,718,000	274,322.08	0.00	15,443,677.92
Bookstore/Cafeteria Conversion to Administration (0204)	10,700,000	6,084,896	209,587.82	474,185.26	5,401,122.92
Business Building Replacement (0205)	10,700,000	10,926,189	139,877.16	0.00	10,786,311.84
Central Plant (0206)	14,274,000	10,198,000	360,711.24	0.00	9,837,288.76
Child Development Center Phase 2 (0207)	2,525,000	2,525,000	30,572.53	0.00	2,494,427.47
Crenshaw Blvd. Frontage Enhancement (0208)	1,100,000	700,000	13,417.61	0.00	686,582.39
Fire Academy Structure (0209)	791,375	791,375	14,880.26	18,460.00	758,034.74
Fire Program Facility (0210)	123,000	123,000	1,656.01	0.00	121,343.99
Health Occupations and Wellness Center (0211)	12,200,000	-	0.00	0.00	0.00
Humanities Complex Replacement (0212)	20,500,000	30,896,287	4,401,187.04	20,194,152.47	6,300,947.49
Learning Resource Center Addition (0213)	7,100,000	7,100,000	156,667.45	0.00	6,943,332.55
Manhattan Beach Blvd. Parking Structure and Entrance (0214)	10,400,000	216,232	812.47	0.00	215,419.53
Remodeling Phase One (0215) (CLOSED)	17,461,625	-	249,132.54	0.00	(249,132.54)
Remodeling Phase Two (0216)	20,000,000	157,625	109,564.76	16,913.90	31,146.34
Remodeling Phase Three (0217)	8,715,875	8,715,875	166,643.06	98,458.32	8,450,773.62
Reproduction and Publishing Center (0218)	668,000	-	0.00	0.00	0.00
Science Complex Renovation (0219)	3,986,000	6,721,738	6,487,114.56	186,407.33	48,216.11
Signage and Wayfinding (0224)	-	2,600,000	54,295.12	70,000.00	2,475,704.88
Student Services and Activities Replacement (0220)	20,300,000	31,928,118	838,153.82	1,920,435.96	29,169,528.22
Temporary Space and Relocation Costs (0221)	2,000,000	3,469,200	1,345,993.51	1,727,066.39	396,140.10
Vocational Education Complex (0222)	11,500,000	-	0.00	0.00	0.00
Master Planning (0223)			(19,768.46)	2,882,695.36	(2,862,926.90)
Reserve for Contingencies (0299)	7,339,027	30,470,648	0.00		30,470,648.00
Total Additional Classrooms and Modernization	204,630,902	175,871,183	15,559,269.96	27,588,774.99	132,723,138.05
<u>Campus Site Improvements: Accessibility, Safety / Security (CSI)</u>					
Asphalt Resurfacing - All Lots (0301)	400,000	400,000	14,974.69	0.00	385,025.31
Emergency Generators and Distribution (0302)	1,400,000	2,005,000	107,795.08	5,470.46	1,891,734.46
Emergency Power to Security Lighting (0303)	175,000	175,000	3,558.19	0.00	171,441.81
Entrance - Redondo Beach Blvd. to Lot H (0304)	400,000	400,000	4,500.69	14,762.67	380,736.64
Fencing Replacement and Additions (0305)			2,925.65	0.00	372,074.35

	375,000	375,000			
Landscaping and Irrigation System Replacements (0306)	2,540,000	2,540,000	42,402.56	0.00	2,497,597.44
Lighting - Redondo Beach Blvd. (0307)	230,000	-	0.00	0.00	0.00
Lighting - Upgrade / Replace All Lots (0308)	2,500,000	2,440,000	49,611.27	0.00	2,390,388.73
Lot F Parking Structure Improvements (0309)	1,632,000	1,632,000	32,732.41	0.00	1,599,267.59
Lot H Parking Structure (0310)	10,400,000	8,348,666	964,891.71	189,497.69	7,194,276.60
Paving Replacement - All Walks and Driveways (0311)	2,187,000	2,187,000	17,062.38	0.00	2,169,937.62
Pedestrian Walks at Manhattan Beach Blvd. and Lot E (0312)	81,600	81,600	636.64	0.00	80,963.36
Security Video (0313)	180,000	180,000	7,831.18	0.00	172,168.82
Voice / Data / Signal Site Duct Bank (0314)	1,200,000	1,945,181	109,002.58	0.00	1,836,178.42
Reserve for Contingencies (0399)	4,734,548	1,757,784	0.00	0.00	1,757,784.00
Total Campus Site Improvements: Accessibility, Safety / Security	28,435,148	24,467,231	1,357,925.03	209,730.82	22,899,575.15
<u>Energy Efficiency Improvements (EEI)</u>					
Energy Efficiency Improvements Phase One (401)	9,184,855	-	0.00	0.00	0.00
Energy Efficiency Improvements Phase Two (0402)	4,496,995	2,818,000	78,311.66	1,537,553.00	1,202,135.34
Reserve for Contingencies (0499)	3,137,248	215,653	0.00	0.00	215,653.00
Total Energy Efficiency Improvements	16,819,098	3,033,653	78,311.66	1,537,553.00	1,417,788.34
<u>Health and Safety Improvements (HSI)</u>					
Administration (0501)	3,736,372	4,367,732	96,859.02	0.00	4,270,872.98
Art & Behavioral Sciences (0502)	5,046,800	12,247,136	292,552.28	0.00	11,954,583.72
Art North Wing (0503)	1,119,716	-	0.00	0.00	0.00
Auxiliary Warehouse (0504)	105,042	105,042	1,305.41	0.00	103,736.59
Campus Theatre (0505)	1,814,262	-	0.00	0.00	0.00
Chilled Water System (0506)	3,574,600	-	0.00	0.00	0.00
Communications (0507)	1,359,812	8,223,354	220,114.73	0.00	8,003,239.27
Construction Technology (0508)	1,140,822	943,970	16,588.14	0.00	927,381.86
Domestic Water System (0509)	2,488,800	2,440,800	99,808.74	0.00	2,340,991.26
Facilities and Receiving (0510)	1,046,150	1,985,416	144,595.85	0.00	1,840,820.15
Fire Alarm (0511)	286,700	780,800	274,059.89	63,943.99	442,796.12
Firelines (0512)	3,580,700	1,637,503	112,226.78	0.00	1,525,276.22
Hazardous Materials Abatement (0513)	2,400,000	200,000	76,806.68	32,984.20	90,209.12
Heating Water System (0514)	1,252,330	-	0.00	0.00	0.00
Library (0515)	2,326,540	7,876,509	423,004.33	3,265.00	7,450,239.67
Marsee Auditorium (0516)	5,225,992	6,670,843	143,056.45	0.00	6,527,786.55
Math & Computer Sciences (0517)	4,330,512	10,761,643	195,643.77	0.00	10,565,999.23
Music (0518)	2,832,840	8,896,846	227,342.26	0.00	8,669,503.74
Natural Gas System (0519)	341,600	488,000	11,812.73	0.00	476,187.27
North Gymnasium (0520)			257,277.29	0.00	2,991,715.71

	2,145,126	3,248,993			
Physical Education and Men's Shower (0521)	2,462,936	4,216,871	67,626.86	0.00	4,149,244.14
Planetarium (0522)	285,480	559,465	12,920.96	0.00	546,544.04
Pool and Health Center (0523)	2,018,573	8,273,592	327,033.84	936.96	7,945,621.20
Primary Electrical Distribution System (0524)	18,934,400	13,060,000	2,969,137.23	2,046,702.77	8,044,160.00
Reimbursements (0525)	1,800,000	1,456,353	1,414,353.00	0.00	42,000.00
Security Systems (0526)	1,363,350	1,313,664	30,244.81	0.00	1,283,419.19
Sewer System (0527)	1,964,200	1,964,200	47,241.65	0.00	1,916,958.35
Social Sciences (0528)	1,807,918	7,415,520	160,312.21	189.00	7,255,018.79
South Gymnasium (0529)	733,586	-	0.00	0.00	0.00
Storm Drain System (0530)	481,656	1,083,909	26,114.55	0.00	1,057,794.45
Technical Arts (0531)	1,891,976	5,600,000	353,482.35	0.00	5,246,517.65
Shops (0533)	-	10,600,000	213,337.55	0.00	10,386,662.45
Reserve for Contingencies (0599)	1,190,001	8,337,328	0.00	0.00	8,337,328.00
Total Health and Safety Improvements	84,007,276	134,755,489	8,214,859.36	2,148,021.92	124,392,607.72
<u>Information Technology and Equipment (ITE)</u>					
Behavioral and Social Sciences (0601)	579,077	654,077	28,166.72	0.00	625,910.28
Business (0602)	1,123,650	1,143,650	438,401.42	0.00	705,248.58
Facilities Planning and Services (0603)	1,818,724	1,925,724	293,874.58	2,362.02	1,629,487.40
Fine Arts (0604)	2,805,096	2,879,046	328,211.59	0.00	2,550,834.41
Health Sciences and Athletics (0605)	1,203,993	1,267,690	177,688.41	0.00	1,090,001.59
Humanities (0606)	607,033	625,978	168,069.31	0.00	457,908.69
Industry and Technology (0607)	1,771,641	1,771,641	422,712.19	0.00	1,348,928.81
Information Technology (0608)	14,557,510	14,557,510	1,791,481.62	0.00	12,766,028.38
Learning Resources (0609)	4,665,775	4,940,775	260,085.15	325.20	4,680,364.65
Math (0610)	688,661	723,061	134,996.60	0.00	588,064.40
Natural Sciences (0611)	3,002,285	3,063,431	590,398.27	0.00	2,473,032.73
Nursing (0612)	252,651	252,651	116,477.68	0.00	136,173.32
Student and Community Advancement (0613)	567,500	645,925	217,394.26	0.00	428,530.74
Interfund Transfer (0614)	-	141,150	141,150.00	0.00	0.00
Campus Police (0621)	-	68,500	-	0.00	68,500.00
Purchasing (0622)	-	10,000	-	0.00	10,000.00
Phase II, III, IV Purchases (0697)	17,025,000	12,686,900	0.00	0.00	12,686,900.00
Installation Contingency (0698)	4,464,194	4,464,194	348.80	0.00	4,463,845.20
Reserve for Contingencies (0699)	3,541,949	3,746,018	0.00	0.00	3,746,018.00
Total Information Technology and Equipment	58,674,739	55,567,921	5,109,456.60	2,687.22	50,455,777.18
<u>Physical Education Facilities Improvements (PEFI)</u>					

Baseball Field (0701)	1,091,800	1,091,800	0.00	0.00	1,091,800.00
North Field (0702)	481,600	481,600	0.00	0.00	481,600.00
Sand Volleyball (0703)	12,300	12,300	0.00	0.00	12,300.00
Reserve for Contingencies (0799)	363,601	121,349	0.00	0.00	121,349.00
Total Physical Education Facilities	1,949,301	1,707,049	0.00	0.00	1,707,049.00
Refunding Income	6,866,776	5,980,713	0.00		5,980,713.00
	\$	\$			
	401,383,240	401,383,239	30,319,822.61	31,486,767.95	339,576,648.44

EL CAMINO COMMUNITY COLLEGE DISTRICT

PROPOSITION 39 GENERAL OBLIGATION BONDS

**MEASURE E BOND PROGRAM
PERFORMANCE AUDIT
for Fiscal Year Ended June 30, 2006**

EL CAMINO COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E BOND PROGRAM
PERFORMANCE AUDIT
June 30, 2006

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SHARI PROSSER

COLLEEN K. TAYLOR

INDEPENDENT AUDITOR'S REPORT

The Board of Trustees
The Measure E Citizens' Bond Oversight Committee
El Camino Community College District

We have examined the El Camino Community College District's compliance with the performance requirements for the Proposition 39/Measure E General Obligation Bonds for the period ended June 30, 2006, under the applicable provisions of Section 1(b)(3)(C) of Article XIII A of the California Constitution and Proposition 39 as they apply to the bonds and the net proceeds thereof. Management is responsible for the El Camino Community College District's compliance with those requirements. Our responsibility is to express an opinion on the El Camino Community College District's compliance with such requirements thereof based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on El Camino Community College District's compliance with specified requirements.

In our opinion, the El Camino Community College District complied, in all material respects, with the aforementioned requirements for the fiscal year ended June 30, 2006.

Vicenti, Lloyd & Stutzman LLP

Vicenti, Lloyd & Stutzman LLP

September 30, 2006

**EL CAMINO COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E BOND PROGRAM
PERFORMANCE AUDIT
June 30, 2006**

OBJECTIVES

The objectives of our Performance Audit were to:

- Document the expenditures charged to the El Camino Community College District Building Fund — Measure E Bond Program.
- Determine whether expenditures charged to the Building Fund — Measure E Bond Program, have been made in accordance with the bond project list approved by the voters through the approval of Measure E in November 2002.
- Note any incongruities or system weaknesses and provide recommendations for improvement.
- Provide the District Board and the Measure E Citizens' Bond Oversight Committee with a performance audit as required under the provisions of the California Constitution and Proposition 39.

SCOPE OF THE AUDIT

The scope of our performance audit covered the period of July 1, 2005 to June 30, 2006. The 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 the proceeds of the bonds, were not included within the scope of our audit. Expenditures incurred subsequent to June 30, 2006 were not reviewed or included within the scope of our audit or in this report.

**EL CAMINO COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E BOND PROGRAM
PERFORMANCE AUDIT
June 30, 2006**

BACKGROUND INFORMATION

In November, 2000, the voters of the State of California approved Proposition 39 authorizing the issuance of general obligation bonds by California public school districts and community colleges under certain circumstances and subject to certain conditions. In November 2002, a general obligation bond proposition (Measure E) of the El Camino Community College District was approved by the voters of that District. Measure E authorized the District to issue up to \$394,516,464 of general obligation bonds to finance various capital projects and related costs, as specified in the bond measure provisions.

Pursuant to the requirements of Proposition 39, and related State legislation, the Board of Trustees of the District established a Citizens' Bond Oversight Committee and appointed its members. The principal purpose of the Citizens' Bond Oversight Committee, as set out in State law, is to inform the public as to the expenditures of the proceeds of the bonds issued pursuant to the Measure E bond authorization. The Citizens' Bond Oversight Committee is required to issue at least one report annually as to its activities and findings.

Section 1 (b)(3)(C) of Article XIII A of the California Constitution requires the District to conduct, an annual independent performance audit to ensure that the proceeds of the bonds deposited into the Building Fund — Measure E Bond Program have been expended only for the authorized bond projects.

**EL CAMINO COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E BOND PROGRAM
PERFORMANCE AUDIT
June 30, 2006**

PROCEDURES PERFORMED

We obtained the general ledger and the project expenditure summary reports and detail prepared by the District for the period of July 1, 2005 to June 30, 2006, for the Building Fund — Measure E Bond Program. Within the period audited, we obtained the actual invoices and other supporting documentation for a sample of expenditures to ensure compliance with the requirements of Proposition 39 and Measure E as to the bond projects. We performed the following procedures:

- We reviewed the projects listed to be funded with general obligation bond proceeds as set out in the Measure E election documents.
- We selected a sample of expenditures for the period under audit and reviewed supporting documentation to ensure that such funds were properly expended on the authorized bond projects.
- We verified that funds from the Building Fund — Measure E Bond Program were generally expended for the construction, reconstruction, acquisition, furnishing and equipping of District facilities constituting the authorized bond projects and we verified that funds held in the Building Fund — Measure E Bond Program were not used for salaries of school administrators or other operating expenses of the District.

**EL CAMINO COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E BOND PROGRAM
PERFORMANCE AUDIT
June 30, 2006**

CONCLUSION

Based upon our procedures performed, we found that for the items tested, the El Camino Community College District has properly accounted for the expenditures of the funds held in the Building Fund — Measure E Bond Program and that such expenditures were made for authorized bond projects. Furthermore, it was noted that the funds held in the Building Fund — Measure E Bond Program, and expended by the District, were not expended for salaries of school administrators or other operating expenditures.

We did not have any new findings and recommendations as a result of our audit. We did review the implementation status of the prior year findings the results of which are reported in the following section.

EL CAMINO COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E BOND PROGRAM
PERFORMANCE AUDIT
June 30, 2006

SCHEDULE OF FINDINGS AND RECOMMENDATIONS

There were no findings and recommendations for fiscal year 2005-06.

EL CAMINO COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E BOND PROGRAM
PERFORMANCE AUDIT
June 30, 2006

STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS

Finding 05-1- Maintenance of Measure E Website

Finding: In our review of the District website we noted the Citizens' Oversight Committee meeting agendas and minutes are not consistently posted to the District website, in a timely manner. Per Section 15280 of the Education Code, committee proceedings shall be a public record and made available on the District website.

Recommendation: The District needs to update and maintain the Measure E website in a more conscientious and timely manner.

District Response: Agendas and minutes are promptly produced, posted to the internal websites and distributed to committee members and District staff who regularly attend the meetings as support to the committee. The Director of Public Information and Marketing receives the agendas and minutes. She will be advised of this finding and recommendation to update the general website in a more timely manner.

Status: Implemented. The District updated the website up through June of 2006 and beginning in July 2006 also began to publish reports and documents given to the committee on the website.

Finding 05-2 Filing of Annual Economic Disclosure Statements

Finding: Under Government Code Requirements and Board Policy Number 2710, Board members and District administrative officials are required to file annual economic disclosure statements. Our review indicates one board member is not filing the required statement. Filing of these statements is an important element in the statutory structure to safeguard against potential conflicts of interest by District policy makers.

Recommendation: The District needs to insure that these statements are filed by all board members and officials designated.

District Response: All Board members are given the economic disclosure statements and advised of the annual filing deadlines.

Status: Implemented

EL CAMINO COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E BOND PROGRAM
PERFORMANCE AUDIT
June 30, 2006

STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS

(continued)

Finding 05-3- Public Advertising of Bids for District Purchases

Finding: In our review of District purchases, we noted one instance in which the District inappropriately excluded a purchase from public bids. The District purchased vans from a private vendor without advertising for bids. The rationale provided us was that the price quote from the private vendor would be less than price quotes from a state contract which is not required to be bid when trade-in allowances are factored in and later that the vendor was the sole source for the purchase. However, the Public Contract and Education Code sections on which this is based only allows exclusion from public bids when the purchase is from a state contract.

Recommendation: The District should review its rules for excluding purchases over the legally required minimums from public advertising for bids to insure legal exclusions from bidding are being consistently and properly interpreted and applied.

District Response: The District did consult with legal counsel who felt this was an example of a sole source exception to the competition bidding requirements with much consideration of the cost savings involved. In the future we will continue to review purchasing rules very carefully so as to insure bidding requirements are consistently applied.

Status: No similar situation was found in the 2005-06 audit.

**El Camino Community College District
Revenue Bond Construction
Balance Sheet
June 30, 2006**

Assets

Cash	\$ 45,998,235
Investments	<u>720,570</u>

Total Assets	\$ 46,718,805
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Liabilities and Fund Equity

Liabilities

Accounts Payable	<u>2,400,928</u>
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Total Liabilities	<u>2,400,928</u>
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Fund Equity

Fund Balances	
Unreserved	
Designated	<u>44,317,877</u>

Total Fund Equity	<u>44,317,877</u>
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Total Liability and Fund Equity	<u>\$ 46,718,805</u>
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**El Camino Community College District
Revenue Bond Construction
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2006**

Revenues	
Local Revenues*	\$ 1,956,633
Total Revenues	<u>1,956,633</u>
Expenditures	
Current Expenditures	
Supplies	2,703,758
Services and operating expenditures	<u>8,771,802</u>
Total Expenditures	<u>11,475,560</u>
Excess of Revenues Over (Under) Expenditures	<u>(9,518,927)</u>
Other Financing Sources (Uses)	
Other sources	47,126,291
Other uses	<u>(39,724,442)</u>
Total Other Financing Sources (Uses)**	<u>7,401,849</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses	<u>(2,117,078)</u>
Fund Balance, Beginning of Year	<u>46,434,955</u>
Fund Balance, End of Year	<u>\$ 44,317,877</u>

* "Local Revenue" represents interest earned.

** "Total Other Financing Sources" represents the total income and costs associated with the bond issuance and refunding:
\$7,401,849 is comprised of \$6,866,756 in net income received by the district, and \$535,593 in underwriter's costs.

Appendix

Citizens' Bond Oversight Committee Agendas

www.elcamino.edu/administration/bond/minutes.asp

Citizens' Bond Oversight Committee Minutes

www.elcamino.edu/administration/bond/minutes.asp

Citizens' Bond Oversight Committee Bylaws

www.elcamino.edu/administration/bond/docs/Ositebylaws406.pdf

Measure E Expenditures Approved by Board of Trustees, El Camino Community College District

www.elcamino.edu/administration/bond/minutes.asp

Original Resolution 2002-1 and Exhibit B

www.elcamino.edu/administration/bond/cboc_resolutions/

Resolution Authorizing the Issuance of General Obligation Bonds, Series 2006B

www.elcamino.edu/administration/bond/cboc_resolutions/

Resolution Authorizing General Obligation Bonds, 2005-1

www.elcamino.edu/administration/bond/cboc_resolutions/

“The Citizens’ Bond Oversight Committee acknowledges with gratitude the cooperation of many departments within El Camino College throughout the past year. The Committee is particularly grateful to the following: Bob Gann, Ann Garten, Jeff Marsee, Janice Ely, John Wagstaff, Jeff Marsee, and Ruth Sanchez.”



The policy of the El Camino Community College District is to provide an educational and employment environment in which no person shall be unlawfully denied full and equal access to, the benefits of, or be unlawfully subjected to, discrimination on the basis of ethnic group identification, national origin, religion, age, sex, race, color, ancestry, sexual orientation, physical or mental disability, or retaliation in any program or activity that is administered by, funded directly by, or receives any financial assistance from, the State Chancellor or Board of Governors of the California Community Colleges.