



**2012 Measure L Fund  
Annual Financial Report  
And Performance Audit  
June 30, 2019**

**PAJARO VALLEY UNIFIED SCHOOL  
DISTRICT**



**2012 Measure L Fund  
Annual Financial Report  
June 30, 2019**

**PAJARO VALLEY UNIFIED SCHOOL  
DISTRICT**

**PAJARO VALLEY UNIFIED SCHOOL DISTRICT  
2012 MEASURE L FUND**

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JUNE 30, 2019**

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***INDEPENDENT AUDITOR'S REPORT***

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## INDEPENDENT AUDITOR'S REPORT

Governing Board and Citizens' Bond Oversight Committee  
Pajaro Valley Unified School District  
Watsonville, CA

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the Pajaro Valley Unified School District's (District) 2012 Measure L Fund (Fund), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the 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 an opinion 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 of 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 financial statements, whether due to error or fraud. In making those risk assessments, the auditor considers internal controls 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 financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the 2012 Measure L Fund of the District at June 30, 2019, and the respective changes in financial position thereof for the year then ended in accordance 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 Fund specific to the 2012 Measure L, and are not intended to present fairly the financial position and results of operations of the District in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2020 on our consideration of the 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 solely 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 the effectiveness of the Fund's 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 Fund's internal control, over financial reporting and compliance.



Palo Alto, California  
February 13, 2020

**PAJARO VALLEY UNIFIED SCHOOL DISTRICT  
2012 MEASURE L FUND**

**BALANCE SHEET  
JUNE 30, 2019**

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**ASSETS**

Cash and cash equivalents	\$ 65,165,346
Total Assets	<u>\$ 65,165,346</u>

**LIABILITIES AND FUND BALANCE**

**Liabilities:**

Accounts payable	\$ 3,788,179
Due to other funds	<u>1,033,266</u>
Total Liabilities	<u>4,821,445</u>

**Fund Balance:**

Restricted for capital projects	<u>60,343,901</u>
Total Fund Balance	<u>60,343,901</u>
Total Liabilities and Fund Balance	<u>\$ 65,165,346</u>

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

**PAJARO VALLEY UNIFIED SCHOOL DISTRICT  
2012 MEASURE L FUND**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2019**

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**REVENUES**

All other state and local income	\$ 66,857
Interest income	1,367,064
Total Revenues	<u>1,433,921</u>

**EXPENDITURES**

Current salaries and benefits	390,164
Supplies	422,736
Services	431,770
Capital outlay	15,721,415
Total Expenditures	<u>16,966,085</u>

<b>NET CHANGE IN FUND BALANCE</b>	(15,532,164)
<b>FUND BALANCE - BEGINNING</b>	<u>75,876,065</u>
<b>FUND BALANCE - ENDING</b>	<u><u>\$ 60,343,901</u></u>

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

**PAJARO VALLEY UNIFIED SCHOOL DISTRICT  
2012 MEASURE L FUND**

**NOTES TO FINANCIAL STATEMENTS**

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***NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

The accounting policies of the Pajaro Valley Unified School District's (District) 2012 Measure L Fund (the Fund) conforms to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

**Financial Reporting Entity**

The financial statements include the financial activities of the 2012 Measure L Fund only. The Fund was established to account for the expenditures of general obligation bonds issued under the Bonds Election of 2012. These financial statements are not intended to present fairly the financial position and results of operations of the District as a whole, in conformity with accounting principles generally accepted in the United States of America.

**Fund Accounting**

The operations of the Fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. Resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

**Basis of Accounting**

The Fund is accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

**Deposits and Investments**

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.

**Budgets and Budgetary Accounting**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. The District's governing board adopts an operating budget no later than July 1 in accordance with State law. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements. The Board revises this budget during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.



**PAJARO VALLEY UNIFIED SCHOOL DISTRICT  
2012 MEASURE L FUND**

**NOTES TO FINANCIAL STATEMENTS**

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**Encumbrances**

The Fund 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.

**Fund Balance**

As of June 30, 2019, fund balance of the Fund was classified as restricted which is defined as amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

***NOTE 2 - DEPOSITS AND INVESTMENTS***

**Summary of Deposits and Investments**

Deposits and investments with County Treasurer as of June 30, 2019, are in the amount of \$65,165,346.

**Investment in County Treasury**

The District, including the Fund, 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.

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. The District manages its exposure to interest rate risk by depositing substantially all of its funds in the County Treasury Pool. The fair value of this investment is approximately \$65,165,346 with an average maturity of 243 days.

**PAJARO VALLEY UNIFIED SCHOOL DISTRICT  
2012 MEASURE L FUND**

**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 3 - COMMITMENTS AND CONTINGENCIES**

As of June 30, 2019, the District had the following commitments with respect to the unfinished capital projects which are partially funded by Measure L:

<u>Capital Project</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of Completion</u>
AHS Modernization	\$ 1,266,484	Jun 22
AJHS Modernization	2,736,509	Jun 22
Alianza Modernization	572,157	Jun 22
Amesti Modernization	540,205	Jun 22
Ann Soldo Modernization	783,986	Jun 22
Bradley Modernization	755,046	Jun 20
Bradley Relocatables	1,020,421	Jun 22
Calabosas Modernization	255,848	Jun 22
Cesar Chavez MS - Relocatables	174,450	Jun 22
Cesar Chavez MS Modernization	1,626,124	Jun 22
EA Hall A Wing Modernization	102,613	Jun 22
EA Hall Track and Field Replacement	2,226,807	Jun 22
Freedom Modernization	1,388,667	Jun 22
Hall District Modernization	53,321	Jun 22
Lakeview MS Modernization	584,937	Jun 22
Landmark Modernization	35,689	Jun 22
Linscott Modernization	1,384,788	Jun 22
MacQuiddy Modernization	388,185	Jun 22
Mintie White - Wing A - Modernization	1,682,766	Jun 22
Mintie White Other Modernization	166,683	Jun 22
New School - Modernization	92,328	Jun 22
Ohlone Modernization	861,044	Jun 22
PMS Modernization	406,537	Jun 22
PV High New Auditorium	5,743,115	Jun 22
PV High Upper Fields	8,453,163	Jun 22
Radcliff Modernization	432,116	Jun 22
Renaissance High Modernization	1,100,399	Aug 22
RHMS - Modernization	460,250	Jun 22
RHMS Gym Modernization	459,174	Dec 19
Starlight Modernization	795,704	Jun 22
WHS - Modernizations	582,519	Jun 22
	<u>\$ 37,132,035</u>	

**PAJARO VALLEY UNIFIED SCHOOL DISTRICT  
2012 MEASURE L FUND**

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 4 - GENERAL LONG-TERM DEBT**

Under the modified accrual basis of accounting, liabilities for long-term debt are not reported in the individual funds. However, they are reported as liabilities on the Statement of Net Position in the Government-Wide financial statements of the Pajaro Valley Unified School District.

The following provides information on the outstanding general obligation bonds specific to 2012 Measure L:

Issue Date	Maturity Date	Interest Rate	Original Issue	Bonds		Bonds	
				Outstanding June 30, 2018	Issuance	Redeemed	Outstanding June 30, 2019
2013	2048	3.00%-5.00%	\$ 68,540,000	\$ 63,320,000	\$ -	\$ -	\$ 63,320,000
2013	2038	0.63%-5.12%	11,460,000	11,260,000	-	110,000	11,150,000
2016	2045	2.00%-5.00%	40,000,000	38,615,000	-	1,525,000	37,090,000
2018	2047	4.00%-5.00%	30,000,000	30,000,000	-	-	30,000,000
				<u>\$ 143,195,000</u>	<u>\$ -</u>	<u>\$ 1,635,000</u>	<u>\$ 141,560,000</u>

Repayment of the bonds will be funded by a separate property tax override levied on property residing within the District boundaries. Property tax revenues will be recorded in a separate Bond Interest and Redemption Fund (BIR). The required debt service payments on the bonds will be disbursed from the BIR as well. The BIR will be maintained by the Santa Cruz County Controller's Office. The BIR is not included as part of these financial statements. General school district revenues will not be required to fund the debt service on the bonds.

The bonds mature through 2048 as follows:

Fiscal Year	Principal	Interest	Total
2020	\$ 1,040,000	\$ 6,466,595	\$ 7,506,595
2021	870,000	6,422,879	7,292,879
2022	200,000	6,403,920	6,603,920
2023	235,000	6,397,440	6,632,440
2024	370,000	6,389,426	6,759,426
2025-2029	4,900,000	31,508,306	36,408,306
2030-2034	13,600,000	29,438,251	43,038,251
2035-2039	27,010,000	24,795,393	51,805,393
2040-2044	46,830,000	15,950,513	62,780,513
2045-2048	46,505,000	3,741,594	50,246,594
Total	<u>\$ 141,560,000</u>	<u>\$ 137,514,317</u>	<u>\$ 279,074,317</u>

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***INDEPENDENT AUDITOR'S REPORT***

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**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' Bond Oversight Committee  
Pajaro Valley Unified School District  
Watsonville, CA

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 accompanying financial statements of the Pajaro Valley Unified School District's (District) 2012 Measure L Fund (the Fund), as of and for the year ended June 30, 2019, and have issued our report thereon dated February 13, 2020.

As discussed in Note 1, the financial statements present only the Fund specific to 2012 Measure L, and are not intended to present fairly the financial position and results of operations of the District in conformity with accounting principles generally accepted in the United States of America.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Fund's internal control over financial reporting as a basis for designing our auditing procedures 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 Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the 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 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 over financial reporting 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 the 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 Fund'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 Fund's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The image shows a handwritten signature in cursive script that reads "Eide Sully LLP".

Palo Alto, California  
February 13, 2020

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***SCHEDULE OF FINDINGS AND  
RECOMMENDATIONS***

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**PAJARO VALLEY UNIFIED SCHOOL DISTRICT  
2012 MEASURE L FUND**

**FINANCIAL STATEMENT FINDINGS  
JUNE 30, 2019**

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None reported.



**PAJARO VALLEY UNIFIED SCHOOL DISTRICT  
2012 MEASURE L FUND**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2019**

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



**2012 Measure L Fund  
Performance Audit  
June 30, 2019**

**PAJARO VALLEY UNIFIED SCHOOL  
DISTRICT**

**PAJARO VALLEY UNIFIED SCHOOL DISTRICT  
2012 MEASURE L FUND**

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## INDEPENDENT AUDITOR'S REPORT ON PERFORMANCE

Governing Board and Citizens' Oversight Committee  
Pajaro Valley Unified School District  
Watsonville, CA

We were engaged to conduct a performance audit of the Pajaro Valley Unified School District (District), 2012 Measure L Fund (the Fund) for the year ended June 30, 2019.

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 for our conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our conclusions based on our audit objectives.

Our audit was limited to the objectives listed within the report which includes determining the Fund's compliance with the performance requirements as referred to in Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution. Management is responsible for the Fund's compliance with those requirements.

In planning and performing our performance audit, we obtained an understanding of the Fund's internal control in order to determine the procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of internal control.

The results of our tests indicated that the District expended 2012 Measure L Funds only for the specific projects approved by the voters, in accordance with Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution.

A handwritten signature in black ink that reads "Eide Bailly LLP".

Palo Alto, California  
February 13, 2020

**PAJARO VALLEY UNIFIED SCHOOL DISTRICT  
2012 MEASURE L FUND**

**JUNE 30, 2019**

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***AUTHORITY FOR ISSUANCE***

The 2012 Measure L 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 Supervisors of Santa Cruz and Monterey Counties, pursuant to a request of the District made by a resolution adopted by the Board of Education of the District on February 27, 2013.

The District received authorization at an election held on November 6, 2012, to issue bonds of the District in an aggregate principal amount not to exceed \$150,000,000 to finance specific construction and renovation projects approved by eligible voters within the District. The proposition required approval by at least 55 percent of the votes cast by eligible voters within the District (the 2012 Authorization). The Bonds represent all series of the authorized bonds to be issued under the 2012 Authorization.

***PURPOSE OF ISSUANCE***

The Tax-Exempt Bonds are being issued to (i) finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities, (ii) fund a portion of interest payments on the Tax-Exempt Bonds, (iii) prepay all of (a) the District's outstanding Certificates of Participation (2005 Financing Project) and (b) the District's remaining lease payments under a Fixed Rate Real Property Lease/Purchase Agreement dated as of January 4, 2010 between the District and the District Financing corporation, and (iv) pay the costs of issuing the Tax-Exempt Bonds.

The Taxable Bonds are being issued to (i) finance the repair, upgrading, acquisition, construction and equipping of certain District property and facilities, (ii) finance endowments for voter-approved technology upgrades and small repairs, and (iii) pay the costs of issuing the Taxable Bonds.

***AUTHORITY FOR THE AUDIT***

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by school districts, community college districts, or county offices of education, "for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of rental property for school facilities", upon approval by 55 percent of the electorate. In addition to reducing the approval threshold from two-thirds to 55 percent, Proposition 39 and the enacting legislation (AB 1908 and AB 2659) requires the following accountability measures as codified in Education Code sections 15278-15282:

1. Requires that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b)(3)(C) of the California Constitution, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.
2. The school district must list the specific school facilities projects to be funded in the ballot measure, and must certify that the governing board has evaluated safety, class size reduction and information technology needs in developing the project list.
3. Requires the school district to appoint a citizen's bond oversight committee.

**PAJARO VALLEY UNIFIED SCHOOL DISTRICT  
2012 MEASURE L FUND**

**JUNE 30, 2019**

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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. Requires the school district to conduct an annual independent performance audit to ensure that the funds have been expended only on the specific projects listed.

***OBJECTIVES OF THE AUDIT***

1. Determine whether expenditures charged to the Fund have been made in accordance with the bond project list approved by the voters through the approval of 2012 Measure L.
2. Determine whether salary transactions, charged to the Fund were in support of 2012 Measure L and not for District general administration or operations.

***SCOPE OF THE AUDIT***

The scope of our performance audit covered the period of July 1, 2018 to June 30, 2019. 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, 2019, were not reviewed or included within the scope of our audit or in this report.

***METHODOLOGY***

We obtained the general ledger and the project expenditure reports prepared by the District for the period July 1, 2018 through June 30, 2019, for the Fund. Within the fiscal year audited, we obtained the actual invoices and other supporting documentation for a sample of expenditures to ensure compliance with the requirements of Article XIII A, Section 1(b)(3)(C) of the California Constitution and 2012 Measure L's approved bond projects list. We performed the following procedures:

1. We selected a sample of expenditures for the period starting July 1, 2018 and ending June 30, 2019, and reviewed supporting documentation to ensure that such funds were properly expended on the specific projects listed in the ballot text.
2. Our sample included 56 non-payroll transactions of \$10,766,259 and \$27,971 of payroll transactions, which represents 64 percent of the total expenditures of \$16,966,085
3. We verified that funds from the 2012 Measure L Fund were generally expended for the construction, renovation, furnishing and equipping of District facilities constituting authorized bond projects.

***CONCLUSION***

The results of our tests indicated that, in all significant respects, the District has properly accounted for the expenditures held in the 2012 Measure L Fund and that such expenditures were made for authorized Bond projects.

**PAJARO VALLEY UNIFIED SCHOOL DISTRICT  
2012 MEASURE L FUND**

**SCHEDULE OF FINDINGS AND RECOMMENDATIONS  
JUNE 30, 2019**

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None reported.

**PAJARO VALLEY UNIFIED SCHOOL DISTRICT  
2012 MEASURE L FUND**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
JUNE 30, 2019**

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