



See what's possible.

LONG BEACH COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E, FEBRUARY 2008 AND MEASURE LB, JUNE 2016
PERFORMANCE AUDIT REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2024**

**LONG BEACH COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E, FEBRUARY 2008 AND MEASURE LB, JUNE 2016
PERFORMANCE AUDIT
TABLE OF CONTENTS
JUNE 30, 2024**

Independent Auditors’ Report..... 1

BACKGROUND

Background Information..... 2

PERFORMANCE AUDIT

Objectives 3

Scope of the Audit 3

Methodology..... 4

Conclusion..... 4

Summary of Bond Program Activity..... 5

Bond Projects Summary..... 7



INDEPENDENT AUDITORS' REPORT

To the Board of Trustees and The Citizens' Oversight Committee
Long Beach Community College District
Long Beach, California

We have conducted a performance audit of the Long Beach Community College District (the District), Measure E, February 2008 and Measure LB, June 2016 bond funds for the fiscal year ended June 30, 2024.

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 findings and conclusions 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 the objectives listed on pages 3-4 of this report which includes determining the District's compliance with the performance requirements for the Proposition 39 Measure E, February 2008 and Measure LB, June 2016 General Obligation Bonds under the applicable provisions of Section 1(b)(3)(C) of Article XIII A of the California Constitution. Management is responsible for the District's compliance with those requirements.

Solely to assist us in planning and performing our performance audit, we obtained an understanding of the internal control of the District to determine if internal controls were adequate to help ensure 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. Accordingly, we do not express any assurance on internal control.

The results of our tests indicated that, in all significant respects, the District expended Measure E, February 2008 and Measure LB, June 2016 bond funds for the year ended June 30, 2024, only for the specific projects developed by the District's Board of Trustees, 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.

A handwritten signature in cursive script that reads "CWDL, Certified Public Accountants".

San Diego, California
December 5, 2024

BACKGROUND

**LONG BEACH COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E, FEBRUARY 2008 AND MEASURE LB, JUNE 2016
PERFORMANCE AUDIT
BACKGROUND INFORMATION
JUNE 30, 2024**

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 February 2008, a general obligation bonds proposition (Measure E, February 2008) of the Long Beach Community College District was approved by the voters of the District. Measure E, February 2008 authorized the District to issue up to \$440 million of general obligation bonds. Proceeds from the sale of the bonds will be used to finance the renovation of science, nursing, police and firefighting classrooms; upgrade classroom technology and high-tech training labs; repair aging roofs, electrical, plumbing, heating, ventilation; and upgrade/construct/equip/acquire classrooms, facilities, and sites; and repay certain lease obligations of the District.

In June 2016, a general obligation bonds proposition (Measure LB, June 2016) of the Long Beach Community College District was approved by the voters of the District. Measure LB, June 2016 authorized the District to issue up to \$850 million in general obligation bonds. Proceeds from the sale of the bonds will be used 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' Oversight Committee and appointed its members. The principal purpose of the Citizens' Oversight Committee, as set out in state law, is to inform the public as to the expenditures made using the proceeds of the bonds issued pursuant to the Measure E, February 2008 and Measure LB, June 2016 bond authorization. The Citizens' 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 Bond Construction Funds have been expended only for the authorized bond projects.

PERFORMANCE AUDIT

**LONG BEACH COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E, FEBRUARY 2008 AND MEASURE LB, JUNE 2016
PERFORMANCE AUDIT
OBJECTIVES, SCOPE, METHODOLOGY AND CONCLUSIONS
JUNE 30, 2024**

OBJECTIVES

The objectives of our performance audit were to:

- Determine the expenditures charged to the Measure E, February 2008 and Measure LB, June 2016 bond funds.
- Determine whether expenditures charged to the Measure E, February 2008 and Measure LB, June 2016 bond funds have been made in accordance with the bond project list developed by the District's Board of Trustees, and approved by the voters, through the approval of Measure E in February 2008 and Measure LB in June 2016.
- Determine that amounts expended on salaries and benefits were only to the extent employees perform work associated with the Measure E, February 2008 and Measure LB, June 2016 projects as allowable per Opinion 04-110 issued on November 9, 2004 by the State of California Attorney General.

SCOPE OF THE AUDIT

The scope of our performance audit covered the fiscal period from July 1, 2023 to June 30, 2024. The sample of expenditures tested included 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, 2024, were not reviewed or included within the scope of our audit or in this report.

**LONG BEACH COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E, FEBRUARY 2008 AND MEASURE LB, JUNE 2016
PERFORMANCE AUDIT
OBJECTIVES, SCOPE, METHODOLOGY AND CONCLUSIONS
JUNE 30, 2024**

METHODOLOGY

We performed the following procedures to the List of Measure E, February 2008 and Measure LB, June 2016 project expenditures for the year ended June 30, 2024:

- We identified the expenditures and projects charged to the general obligation bonds proceeds by obtaining the general ledger and project listing for the Measure E, February 2008 and the Measure LB, June 2016 Bond Construction Funds.
- We selected a judgmental sample of expenditures for supplies, services and capital outlay considering all projects for the Measure E, February 2008 and Measure LB, June 2016 Bond Construction Funds for the fiscal year ended June 30, 2024. The District had no expenditures of Measure E, February 2008 Bond Construction Funds and expended \$34,756,620 of Measure LB, June 2016 Bond Construction Funds for the fiscal year ended June 30, 2024. We selected a sample of 47 non-salary expenditures totaling \$20,707,486, which is 60.6% of total non-salary expenditures of \$34,145,573.
 - We reviewed the actual invoices and supporting documentation to determine that expenditures charged to projects were:
 - Supported by invoices with evidence of proper approval and documentation of receipt of goods or services.
 - Supported by proper bid documentation, as applicable.
 - Properly expended on the authorized bond projects as listed on the voter-approved bond project lists.
- Our testing of expenditures of the \$611,047 for salaries and benefits included an analysis of the employees charged to the Measure LB, June 2016 Bond Construction Fund. There were no salary and benefit expenditures charged to the Measure E, February 2008 Bond Construction Fund.
 - We reviewed the payroll expenditure activity and job descriptions to determine that the amounts expended on salaries and benefits were only to the extent employees perform work associated with the Measure LB, June 2016 bond projects as allowable per Opinion 04-110 issued on November 9, 2004 by the State of California Attorney General.

CONCLUSION

The results of our tests indicated that, in all significant respects, the Long Beach Community College District has properly accounted for the expenditures of the funds held in the Measure E, February 2008 and Measure LB, June 2016 Bond Construction Funds and that such expenditures were made on authorized bond projects. Further, it was noted that the funds held in the Measure E, February 2008 and Measure LB, June 2016 Bond Construction Funds and expended by the District were used for salaries and benefits only to the extent allowable.

**LONG BEACH COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E, FEBRUARY 2008 AND MEASURE LB, JUNE 2016
PERFORMANCE AUDIT
SUMMARY OF BOND PROGRAM ACTIVITY
JUNE 30, 2024**

SUMMARY OF BOND PROGRAM ACTIVITY

A summary of Measure E, February 2008 and Measure LB, June 2016 bond proceeds, expenditures to date, and remaining funds is included below. Measure E, February 2008 and Measure LB, June 2016 bond program activity include amounts that have been issued and amounts to be issued in the future. This summary of Measure E, February 2008 and Measure LB, June 2016 Bond Construction Funds expenditures is based on the District’s books and records and is provided for information purposes only. This expenditure summary reflects financial totals provided by District Management (Management).

2008 Measure E approved proceeds	\$ 440,000,000
Premium on bond issuance, net of costs	16,534,331
Bond anticipation note	180,480,000
Interest earned	<u>6,324,276</u>
Total 2008 Measure E Bond Program Funds	643,338,607
Expenditures to date:	
July 1, 2008 - June 30, 2009	(46,822,044)
July 1, 2009 - June 30, 2010	(22,154,680)
July 1, 2010 - June 30, 2011	(56,796,506)
July 1, 2011 - June 30, 2012	(39,017,680)
July 1, 2012 - June 30, 2013*	(198,311,181)
July 1, 2013 - June 30, 2014	(37,486,848)
July 1, 2014 - June 30, 2015	(47,068,458)
July 1, 2015 - June 30, 2016	(20,242,712)
July 1, 2016 - June 30, 2017	(24,009,849)
July 1, 2017 - June 30, 2018	(3,645)
July 1, 2018 - June 30, 2019	(12,537)
July 1, 2019 - June 30, 2020	-
July 1, 2020 - June 30, 2021	-
July 1, 2021 - June 30, 2022	-
July 1, 2022 - June 30, 2023	-
July 1, 2023 - June 30, 2024	-
Total 2008 Measure E Bond Expenditures	<u>(491,926,140)</u>
Remaining Bond Funds as of July 1, 2024	<u>\$ 151,412,467</u>

*The Fiscal Year 2013 expenditures include Bond Anticipation Note (BAN) principal and interest repayment of \$165.1 million.

The BAN was issued on January 7, 2010 for the total principal and premium amount of \$180.48 million. The BAN was issued to provide interim financing between general obligation bond issues for the voter approved projects and was paid off as scheduled on January 15, 2013.

**LONG BEACH COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E, FEBRUARY 2008 AND MEASURE LB, JUNE 2016
PERFORMANCE AUDIT
SUMMARY OF BOND PROGRAM ACTIVITY
JUNE 30, 2024**

SUMMARY OF BOND PROGRAM ACTIVITY, continued

2016 Measure LB approved proceeds	\$ 850,000,000
Premium on bond issuance, net of costs	2,118,527
Interest earned	13,474,104
Total 2016 Measure LB Bond Program Funds	<u>865,592,631</u>
Expenditures to date:	
July 1, 2015 - June 30, 2016	(658,000)
July 1, 2016 - June 30, 2017	(4,124,086)
July 1, 2017 - June 30, 2018	(25,488,395)
July 1, 2018 - June 30, 2019	(32,869,882)
July 1, 2019 - June 30, 2020	(53,948,546)
July 1, 2020 - June 30, 2021	(80,084,170)
July 1, 2021 - June 30, 2022	(45,489,309)
July 1, 2022 - June 30, 2023	(15,150,160)
July 1, 2023 - June 30, 2024	(34,756,620)
Total 2016 Measure LB Bond Expenditures	<u>(292,569,168)</u>
Remaining Bond Funds as of July 1, 2024	<u>\$ 573,023,463</u>

**LONG BEACH COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E, FEBRUARY 2008 AND MEASURE LB, JUNE 2016
PERFORMANCE AUDIT
BOND PROJECTS SUMMARY
JUNE 30, 2024**

SCHEDULE OF MEASURE E, FEBRUARY 2008 BOND PROJECTS SUMMARY

The District has identified the following projects to be funded with proceeds from the Measure E, February 2008 general obligation bonds. The district incurred costs of \$491,926,140 through June 30, 2024, for these construction projects. Capital outlay and other financing expenditures were as follows:

Project Name	Adjusted Budget	Total Project Costs Through June 30, 2023	2023-2024 Actual Costs	Total Project Costs Through June 30, 2024
Block Grant	\$ 2,781	\$ 2,780	\$ -	\$ 2,780
Technology Building PCC Cap Project *	(4,415)	(4,415)	-	(4,415)
Industrial Technology Center	658,763	658,764	-	658,764
Learning Resource Center LAC	736,503	736,503	-	736,503
Learning Resource Center PCC	12,735	12,734	-	12,734
Bond Anticipation Notes	195,543,527	195,543,527	-	195,543,527
Administrative Costs	5,435,302	5,164,142	-	5,164,142
South Quad Complex	2,559,547	2,559,546	-	2,559,546
Interim Housing LAC Tech 2	7,101	7,101	-	7,101
Los Coyotes Bldg.	321,598	321,598	-	321,598
Infrastructure Phase 1 LAC*	(9,468)	(9,468)	-	(9,468)
Building - Q&R Improvements	71,580	71,580	-	71,580
Document Imaging	72,206	72,206	-	72,206
Building A - Student Services Retro	15,124,644	15,124,644	-	15,124,644
LAC Infrastructure Construction	2,443,495	2,443,495	-	2,443,495
LAC Infra Utility Connection	5,621,857	5,621,857	-	5,621,857
Building Z - Retrofit Facilities W/H	233,601	233,601	-	233,601
Central Plant Support - LAC	159,954	159,954	-	159,954
Multi-Disp.-Complex AA,BB,DD,EE	33,336,353	33,336,353	-	33,336,353
So East Interim Bungalows, PCC	2,506	2,506	-	2,506
Infrastructure Phase1 PCC	126,849	126,849	-	126,849
PCC Infrastructure Construction	11,633	11,632	-	11,632
PCC Infra Utility Connection	948,895	948,895	-	948,895
Central Plant Support - PCC	159,954	159,954	-	159,954
Campus Improvements	3,852,788	3,722,871	-	3,722,871
Electronic Signage	498,699	498,699	-	498,699
Parking Structure	21,615,442	21,615,444	-	21,615,444
Surface Parking Improvement	2,648,000	2,102,310	-	2,102,310
Energy Projects	10,800,488	10,800,487	-	10,800,487
Circulation Access	2,946,189	1,644,819	-	1,644,819

*Rebates and/or settlements received.

**LONG BEACH COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E, FEBRUARY 2008 AND MEASURE LB, JUNE 2016
PERFORMANCE AUDIT
BOND PROJECTS SUMMARY
JUNE 30, 2024**

SCHEDULE OF MEASURE E, FEBRUARY 2008 BOND PROJECTS SUMMARY, continued

Project Name	Adjusted Budget	Total Project	
		Costs Through June 30, 2023	2023-2024 Actual Costs
Planning	\$ 36,000	\$ 36,000	\$ -
Campus Landscaping	13,140,000	12,476,754	-
Kinesiology Labs & Aquatic Center	42,728	42,728	-
Math Tech Building/Culinary Arts	39,483,688	39,483,687	-
Debt Service	30,502,449	30,502,449	-
Contingencies	15,127,603	-	-
Building D - Science	4,700,989	4,700,989	-
Outdoor Kinesiology Labs	281,559	281,559	-
Building M - Liberal Arts	67,983	67,983	-
Building F - Demolish Family/Consumer Education	1,010,729	10,729	-
Building E - College Center	18,417,773	288,787	-
Building P - Language Arts	2,925,145	2,925,145	-
Child Development Center	140,713	140,713	-
Building C - Nursing Tech	11,452,365	11,452,364	-
Building S - Stadium	1,024,458	1,024,458	-
Building R - Primary Gymnasium	367,093	367,093	-
Building B - Classrooms	46,475	46,474	-
Building Q - Secondary Gymnasium	91,915	91,914	-
Building K - Art	187,360	187,360	-
Aquatic Center	343,177	343,176	-
Building J - Auditorium	1,995,969	1,995,970	-
Building I - Foundation	5,573,760	5,573,760	-
Acquisitions LAC	18,514,279	18,514,280	-
Building G - Performing Arts	66,513	66,513	-
District Wide Security Monitor	5,314,350	3,446,327	-
Classroom Lockdown Project	88,632	88,632	-
Stadium & Athletic Sports Complex	95,688,018	-	-
Campus Improvements	508,067	493,065	-
Electronic Signage	373,644	373,644	-

*Rebates and/or settlements received.

**LONG BEACH COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E, FEBRUARY 2008 AND MEASURE LB, JUNE 2016
PERFORMANCE AUDIT
BOND PROJECTS SUMMARY
JUNE 30, 2024**

SCHEDULE OF MEASURE E, FEBRUARY 2008 BOND PROJECTS SUMMARY, continued

Project Name	Adjusted Budget	Total Project	
		Costs Through June 30, 2023	2023-2024 Actual Costs
Surface Parking Improvement	\$ 717,689	\$ 717,688	\$ -
Energy Projects	3,058,310	3,058,311	-
Circulation Access	1,178,712	878,150	-
Campus Landscaping	3,260,000	524,286	-
Building JJ	717,664	717,663	-
Building-MM Construction Trades 1	476,726	476,725	-
Student Services Center	21,048,532	21,048,533	-
Fitness Center	7,554,159	7,554,161	-
Building FF - Demolish Fine Arts/Senior Center	1,105,190	-	-
Building Q & R - Auto Body/Diesel	16,567,483	16,567,483	-
Sheet Metal Move	671,952	671,952	-
Acquisitions PCC	997,667	997,667	-
Technology Refresh/Replacement	12,531,982	-	-
Measure E Project Totals	\$ 643,338,607	\$ 491,926,140	\$ -

*Rebates and/or settlements received.

**LONG BEACH COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E, FEBRUARY 2008 AND MEASURE LB, JUNE 2016
PERFORMANCE AUDIT
BOND PROJECTS SUMMARY
JUNE 30, 2024**

SCHEDULE OF MEASURE LB, JUNE 2016 BOND PROJECTS SUMMARY

The District has identified the following projects to be funded with proceeds from the Measure LB, June 2016 general obligation bonds. The district incurred costs of \$292,569,168 through June 30, 2024, for these construction projects. Capital outlay and other financing expenditures were as follows:

Project Name	Adjusted Budget	Total Project Costs Through June 30, 2023	2023-24 Actual Costs	Total Project Costs Through June 30, 2024
Learning Resource Center PCC*	\$ (3,164)	\$ (3,163)	\$ -	(3,163)
Infrastructure Phase 1PCC	82,235	82,235	-	82,235
Kinesiology Labs & Aquatic Center	74,217,841	69,595,522	821,969	70,417,491
LAC Walkways & Wayfinding	3,693,830	426,349	-	426,349
Science Building D	11,434,035	11,239,947	12,256	11,252,203
Building M - Liberal Arts	49,495,043	43,141,362	649,536	43,790,898
Building F - Demolish Family/Consumer Education	2,720,600	-	-	-
Building E - College Center	75,439,906	2,693,497	2,865,855	5,559,352
Language Arts Building - P	9,253,826	9,253,826	-	9,253,826
Building S - Stadium	1,172,135	1,153,377	-	1,153,377
Building R - Primary Gymnasium	143,982	43,982	82,664	126,646
Auditorium Building J	30,274,504	29,859,753	106,927	29,966,680
Building G Performing Arts	79,741,590	4,569,952	9,159,023	13,728,975
Districtwide Security Monitor	4,994,393	4,357,671	-	4,357,671
Classroom Lockdown Project	15,793,936	602,559	697,047	1,299,606
Building CDC Child Development Center	11,842	11,842	-	11,842
Stadium & Athletic Sports Complex	154,311,982	-	1,878,502	1,878,502
LAC Student Housing Complex	90,000,000	-	78,613	78,613
Building P2 Parking Structure	21,493,800	20,943,554	17,300	20,960,854
Circulation Access	15,000	2,021	-	2,021
PCC Walkways & Wayfinding	2,239,613	63,307	-	63,307

*Rebates and/or settlements received.

**LONG BEACH COMMUNITY COLLEGE DISTRICT
PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE E, FEBRUARY 2008 AND MEASURE LB, JUNE 2016
PERFORMANCE AUDIT
BOND PROJECTS SUMMARY
JUNE 30, 2024**

SCHEDULE OF MEASURE LB, JUNE 2016 BOND PROJECTS SUMMARY, continued

	Adjusted Budget	Total Project Costs Through June 30, 2023	2023-24 Actual Costs	Total Project Costs Through June 30, 2024
Building MM - Construction Trades Phase 1	\$ 15,052,335	\$ 12,370,262	\$ 1,898,696	\$ 14,268,958
Building FF - Demolish Fine Arts/Sr. Center	1,428,410	-	-	-
Building QQ&RR - Auto Body/Diesel	3,823,607	3,823,606	-	3,823,606
Building MM - Construction Trades Phase 2	10,523,997	1,084,382	4,812,884	5,897,266
Administrative Costs	22,508,527	8,115,224	1,160,572	9,275,796
Minor Campus Improvements	29,239,507	15,287,001	2,081,785	17,368,786
Technology Refresh/Replacement	57,026,018	9,851,093	7,358,761	17,209,854
Surface Parking Improvement	9,454,310	-	-	-
Energy/Water Conservation Projects	25,000,000	1,553,274	226,790	1,780,064
Infrastructure Projects	25,000,000	6,838,833	418,413	7,257,246
Landscaping	869,404	851,280	-	851,280
Joint Use Facility - North Long Beach Housing	30,000,000	-	429,027	429,027
Long Term Renovation Contingency	9,139,587	-	-	-
Measure LB Project Totals	\$ 865,592,631	\$ 257,812,548	\$ 34,756,621	\$ 292,569,168

*Rebates and/or settlements received.