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PERALTA COMMUNITY COLLEGE DISTRICT
MEASURE E PARCEL TAX FUND
ELECTION 2018

PERFORMANCE AUDIT

JUNE 30, 2024

**PERALTA COMMUNITY COLLEGE DISTRICT
MEASURE E PARCEL TAX FUND – ELECTION 2018
PERFORMANCE AUDIT
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FOR THE YEAR ENDED JUNE 30, 2024**

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**INDEPENDENT AUDITORS' REPORT
ON PERFORMANCE**

Board of Directors
Measure E Parcel Tax Fund Oversight Committee
Peralta Community College District
Oakland, California

We conducted a performance audit of Peralta Community College District (the District) Proposition 39 Measure E Parcel Tax Fund (the Measure E Fund) for the year ended June 30, 2024.

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 District's compliance with the performance requirements as referred to as Measure E in the Election of November 2018. 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 District's internal control to determine if internal controls were adequate to help ensure the District's compliance with the requirements of Ballot Measure as approved by the voters in the Election of November 2018. Accordingly, we do not express any assurance on the effectiveness of the District's internal control.

The results of our tests indicated that, in all significant respects, the District expended the Measure E Parcel Tax Funds proceeds in accordance with the voter approved ballot measure referred to as Measure E in the election of November 2018.

CWDL, Certified Public Accountants

San Diego, California
December 5, 2024

**PERALTA COMMUNITY COLLEGE DISTRICT
MEASURE E PARCEL TAX FUND
ELECTION 2018
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024**

AUTHORITY FOR ISSUANCE

The Measure E Parcel Tax was issued pursuant to the Constitution and laws of the state of California (the State), including California Constitution Article XIII A, Government Code section 50077, and other applicable provisions of law. It was authorized to be issued by a resolution adopted by the board of trustees of the District (the Resolution) and subsequently approved by the voters within the District boundaries as Ballot Measure E on November 6, 2018.

PURPOSE OF ISSUANCE

To provide College of Alameda, Laney College, Merritt College, and Berkeley City College secure funds that cannot be taken by the state to support affordable college education, including core academic programs to prepare students for university transfer and successful careers, by providing core tutoring and teacher support. Peralta Community College District levied \$48 per parcel annually for eight years, providing \$8,000,000 annually, with Citizens' Oversight, no funds may be spent on administrators' salaries, and all funds must be spent within the District.

The Measure E Parcel Tax was placed on the ballot for approval by voters within the boundaries of Peralta Community College District and approved by more than two thirds vote (1) to provide College of Alameda, Laney College, Merritt College, and Berkeley City College secure funds that cannot be taken by the State, and (2) support affordable college education including:

- A. Preserves core in-demand academic programs including Math, Science and English that help students prepare for transfer to 4-year universities.
- B. Maintain critical core academic programs, tutoring and attract and retain high-quality faculty.
- C. Maintain programs that train and prepare students with high-quality, affordable education.

The special tax shall be levied on all parcels of property in the District, except where those parcels are otherwise exempt from taxation. The tax levied shall be at the rate of forty-eight dollars (\$48) per parcel per year, on all residential, commercial, industrial, and institutional parcels, irrespective of whether those parcels are improved or unimproved.

In accordance with the requirements of Sections 50075.1 and 50075.3 of the Government Code, the following accountability measures, among others, shall apply to the special taxes levied in accordance with this Measure:

- A. Proceeds from the special tax shall be deposited into a resource fund which shall be kept separate and apart from other funds in the District and shall be applied only as set forth in this Measure.
- B. An annual report, including proceeds from the special tax, the expenditures of those monies, and the status of any projects funded by those monies, shall be produced by the Chancellor on behalf of the board of trustees no later than January 1 of the year following the fiscal year during which the monies were spent.

**PERALTA COMMUNITY COLLEGE DISTRICT
MEASURE E PARCEL TAX FUND
ELECTION 2018
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024**

OBJECTIVES OF THE AUDIT

Determine whether expenditures allocated to the Parcel Tax Fund have been made in accordance with the ballot language approved by the voters through the approval of Measure E.

SCOPE OF THE AUDIT

The scope of our performance audit covered the period of July 1, 2023 to June 30, 2024. The population of expenditures tested included all account codes associated with the Parcel Tax Funds. Expenditures incurred subsequent to June 30, 2024, were reviewed or included within the scope of our audit or in this report.

PROCEDURES PERFORMED

We obtained the general ledger and the expenditure reports prepared by the District for the fiscal years ended June 30, 2024, for the Measure E Parcel Tax Fund (Election of 2018). Within the fiscal years audited, we obtained the actual journal entries, invoices, payroll records, and other supporting documentation for a sample of expenditures to ensure compliance with the requirements of Measure E Parcel Tax ballot language. We performed the following procedures:

- A. We selected a sample of both payroll and nonpayroll expenditures for the period starting July 1, 2023 and ending June 30, 2024, and reviewed supporting documentation to ensure that such funds were properly expended on the specific objectives and activities listed in the ballot text.

The total amounts and percentages of total expenditures represented in our samples are shown below:

<u>Transaction Type</u>	<u>Amount Tested</u>	<u>Percentage</u>
Payroll related	\$ 152,873	1.91%
Total	<u>\$ 152,873</u>	

- B. We verified that the proceeds were expended appropriately and charged against the Measure E Parcel Tax Fund (Election of 2018). Proceeds were expended for the purpose of: supporting affordable college education, including providing core academic programs including math, science, and English; training students for successful careers; and educating students to transfer to university.
- C. We reviewed copies of the Measure E Parcel Tax Oversight Committee members and minutes of meetings held during the years encompassed in this report.

CONCLUSION

The results of our tests indicated that, in all significant respects, the District has properly accounted for the expenditures charged against the Measure E Parcel Tax (Election of 2018) proceeds and that such expenditures were made for the purposes and activities authorized by the voter approved Measure E ballot measure.

**PERALTA COMMUNITY COLLEGE DISTRICT
MEASURE E PARCEL TAX FUND
ELECTION 2018
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2024**

There were no findings in the current year audit period.

**PERALTA COMMUNITY COLLEGE DISTRICT
MEASURE E PARCEL TAX FUND
ELECTION 2018
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2024**

There were no findings in the prior year audit period.