

BAKERSFIELD CITY SCHOOL DISTRICT

**GENERAL OBLIGATION BONDS,
MEASURE G (SERIES A, B, C, AND D)
FINANCIAL AUDIT**

JUNE 30, 2013

**BAKERSFIELD CITY SCHOOL DISTRICT
BUILDING FUND - GENERAL OBLIGATION BONDS,
MEASURE G (SERIES A, B, C, AND D)**

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JUNE 30, 2013**

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INDEPENDENT AUDITORS' REPORT

Governing Board and Citizens' Oversight Committee
Bakersfield City School District
Bakersfield, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Bakersfield City School District's (the District), Building Fund (General Obligation Bonds, Measure G), as of and for the year ended June 30, 2013, 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 statement 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 control 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 principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements referred to previously present fairly, in all material respects, the financial position of the Building Fund (General Obligation Bonds, Measure G) of the Bakersfield City School District at June 30, 2013, and the results of its operations for the period then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Building Fund specific to General Obligation Bonds, Measure G, and are not intended to present fairly the financial position and results of operations of Bakersfield City School District in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2013, on our consideration of the District Building Fund's (General Obligation Bonds, Measure G) internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered with the results of our audit.

Vannink, Trine, Day & Co., LLP

Fresno, California
November 27, 2013

**BAKERSFIELD CITY SCHOOL DISTRICT
BUILDING FUND GENERAL OBLIGATION BONDS,
MEASURE G (SERIES A, B, C, AND D)**

**BALANCE SHEET
JUNE 30, 2013**

ASSETS

Deposits and investments	\$ 12,505,023
Accounts receivable	17,522
Total Assets	<u><u>\$ 12,522,545</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$ 1,288,876
Total Liabilities	<u>1,288,876</u>

Fund Balance:

Restricted	11,233,669
Total Fund Balance	<u>11,233,669</u>
Total Liabilities and Fund Balance	<u><u>\$ 12,522,545</u></u>

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

**BAKERSFIELD CITY SCHOOL DISTRICT
 BUILDING FUND GENERAL OBLIGATION BONDS,
 MEASURE G (SERIES A, B, C, AND D)**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 2013**

REVENUES	
Local income	
Interest income	\$ 119,557
Net increase (decrease) in the fair value of investments	(103,377)
Total Revenues	<u>16,180</u>
EXPENDITURES	
Current	
Supplies	
Materials	3,930
Noncapitalized equipment	356,822
Services and other operating expenditures	
Rentals, leases, repairs	18,079
Professional/consulting services and operating expenditures	539,316
Capital outlay	
Land improvements	6,525,296
Building and improvements to buildings	16,065,984
Equipment	80,349
Other outgo	983,660
Total Expenditures	<u>24,573,436</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(24,557,256)</u>
Other Financing Uses:	
Other sources - proceeds from bond issuance	34,196,619
Net Financing Uses	<u>34,196,619</u>
NET CHANGE IN FUND BALANCE	9,639,363
FUND BALANCE - BEGINNING	1,594,306
FUND BALANCE - ENDING	<u><u>\$ 11,233,669</u></u>

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

**BAKERSFIELD CITY SCHOOL DISTRICT
BUILDING FUND GENERAL OBLIGATION BONDS,
MEASURE G (SERIES A, B, C, AND D)**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Bakersfield City School District's (the District) Building Fund (General Obligation Bonds, Measure G) conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants. The Bakersfield City School District Building Fund accounts for financial transactions in accordance with the policies and procedures of the California School Accounting Manual.

Financial Reporting Entity

The financial statements include only the Building Fund of the Bakersfield City School District used to account for General Obligation Bonds, Measure G projects. This Fund was established to account for the expenditures of general obligation bonds issued under the General Obligation Bonds, Measure G. These financial statements are not intended to present fairly the financial position and results of operations of the Bakersfield City School District in compliance with accounting principles generally accepted in the United States of America.

Fund Accounting

The operations of the Building Fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, 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 Building 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 balance reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

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.

**BAKERSFIELD CITY SCHOOL DISTRICT
BUILDING FUND GENERAL OBLIGATION BONDS,
MEASURE G (SERIES A, B, C, AND D)**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

Encumbrances

The District utilizes an encumbrance accounting system under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are liquidated when the commitments are paid and all outstanding encumbrances are liquidated at June 30 since they do not constitute expenditures or liabilities.

Spending Order Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

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/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - INVESTMENTS

Summary of Investments

Investments as of June 30, 2013, are classified in the accompanying financial statements as follows:

	Fair Value
Deposits with county treasurer	<u>\$ 12,505,023</u>

Policies and Practices

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.

**BAKERSFIELD CITY SCHOOL DISTRICT
BUILDING FUND GENERAL OBLIGATION BONDS,
MEASURE G (SERIES A, B, C, AND D)**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013**

Investment in County Treasury - The District 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.

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

Specific Identification

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuation is provided by the following schedule that shows the distribution of the District's investment by maturity:

Investment Type	Fair Value	Average Days To Maturity
County treasury investment pool	\$ 12,505,023	366

**BAKERSFIELD CITY SCHOOL DISTRICT
 BUILDING FUND GENERAL OBLIGATION BONDS,
 MEASURE G (SERIES A, B, C, AND D)**

**NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2013**

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investments in the County Pool are not required to be rated, nor have they been rated as of June 30, 2013.

Investment Type	Fair Value	Minimum Legal Rating	Rating as of Year End		
			AAA	Aa	Unrated
County treasury investment pool	<u>\$ 12,505,023</u>	N/A	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,505,023</u>

N/A - Not applicable

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2013, consisted of interest and other local sources. All accounts receivable are considered collectible in full.

Interest	<u>\$ 17,522</u>
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NOTE 4 - ACCOUNTS PAYABLE

Accounts payable at June 30, 2013, consisted of the following:

Vendor payables	<u>\$ 1,288,876</u>
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NOTE 5 - FUND BALANCES

Fund balances are composed of the following elements:

Restricted	
Capital projects	<u>\$ 11,233,669</u>

**BAKERSFIELD CITY SCHOOL DISTRICT
 BUILDING FUND GENERAL OBLIGATION BONDS,
 MEASURE G (SERIES A, B, C, AND D)**

**NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2013**

NOTE 6 - COMMITMENTS AND CONTINGENCIES

Construction Commitments

As of June 30, 2013, the District had the following commitments with respect to the unfinished capital projects:

<u>Capital Project</u>	<u>Remaining Construction Commitment</u>	<u>Expected Date of Completion</u>
Fletcher Elementary School	\$ 7,337,326	2013-2014
Cato Middle School	10,363,608	2013-2014
Pioneer PMC's	139,220	2013-2014
Sequoia PMC's	5,085,566	2014-2015
McKinley PMC's	160,439	2013-2014
Compton Modernization	6,954,168	2014-2015
Total	<u>\$ 30,040,327</u>	

SUPPLEMENTARY INFORMATION

**BAKERSFIELD CITY SCHOOL DISTRICT
BUILDING FUND GENERAL OBLIGATION BONDS,
MEASURE G (SERIES A, B, C, AND D)**

**SCHEDULE OF LONG-TERM OBLIGATIONS
JUNE 30, 2013**

General Obligation Bonds

The general obligation bonded debt is as follows:

Issue Date	Maturity Date	Interest Rate %	Original Issue	Bonds Outstanding July 1, 2012	Interest Accreted/ Issued	Bonds Redeemed	Bonds Outstanding June 30, 2013
2007, A	2032	4.00-5.25	\$ 34,000,000	\$ 31,470,000	\$ -	\$ 660,000	\$ 30,810,000
2012, B	2033	4.39	18,050,000	-	18,050,000	30,000	18,020,000
2012, C	2047	5.75-5.90	16,146,619	-	16,913,738	-	16,913,738
2012, D	2019	1.515-2.749	1,090,000	-	1,090,000	-	1,090,000
			<u>\$ 69,286,619</u>	<u>\$ 31,470,000</u>	<u>\$ 36,053,738</u>	<u>\$ 690,000</u>	<u>\$ 66,833,738</u>

Measure G, Series A General Obligation Bonds

On February 22, 2007, the District issued \$34,000,000 in Measure G, Series A General Obligation Bonds. Proceeds from the bonds will be used for improving the quality of education, upgrading restrooms and plumbing systems, renovating electrical systems to improve student access to computers/technology, acquiring and constructing classrooms and new schools to reduce overcrowding, making health, safety and security improvements, improving facilities and qualifying the District for up to \$57,000,000 in State grants. At June 30, 2013, the principal balance outstanding was \$30,810,000.

The bonds mature through 2031 as follows:

Current Interest Bonds

Fiscal Year	Principal	Interest to Maturity	Total
2014	\$ 815,000	\$ 1,479,038	\$ 2,294,038
2015	985,000	1,446,438	2,431,438
2016	725,000	1,407,038	2,132,038
2017	900,000	1,378,038	2,278,038
2018	1,095,000	1,342,038	2,437,038
2019-2023	5,695,000	5,975,563	11,670,563
2024-2028	9,670,000	4,320,500	13,990,500
2029-2032	10,925,000	1,399,000	12,324,000
Total	<u>\$ 30,810,000</u>	<u>\$ 18,747,653</u>	<u>\$ 49,557,653</u>

**BAKERSFIELD CITY SCHOOL DISTRICT
BUILDING FUND GENERAL OBLIGATION BONDS,
MEASURE G (SERIES A, B, C, AND D)**

**SCHEDULE OF LONG-TERM OBLIGATIONS
JUNE 30, 2013**

Measure G, Series B, C, and D General Obligation Bonds

On July 12, 2012, the District issued \$35,286,619 in Measure G, Series B (\$18,050,000), Series C (\$16,146,619), and Series D (\$1,090,000) General Obligation Bonds. Proceeds from the bonds will be used to for improving the quality of education, upgrading restrooms and plumbing systems, renovating electrical systems to improve student access to computers/technology, acquiring and constructing classrooms and new schools to reduce overcrowding, making health, safety and security improvements, improving facilities and qualifying the District for up to \$57,000,000 in State grants. At June 30, 2013, the principal balance outstanding was \$36,023,738.

The Series B bond matures through 2033 as follows:

Current Interest Bonds

Fiscal Year	Principal	Interest to Maturity	Total
2014	\$ -	\$ 791,078	\$ 791,078
2015	15,000	791,078	806,078
2016	-	790,420	790,420
2017	5,000	790,420	795,420
2018	5,000	790,200	795,200
2019-2023	3,095,000	3,763,110	6,858,110
2024-2028	3,065,000	3,002,322	6,067,322
2029-2033	11,835,000	2,028,181	13,863,181
Total	<u>\$ 18,020,000</u>	<u>\$ 12,746,809</u>	<u>\$ 30,766,809</u>

The Series C bond matures through 2047 as follows:

Convertible Capital Appreciation Bonds

Fiscal Year	Principal
2037	\$ 7,750,000
2042	17,070,000
2047	28,720,000
Total Requirements	53,540,000
Less Unaccreted Principal	(36,626,262)
Total Current Obligation	<u>\$ 16,913,738</u>

**BAKERSFIELD CITY SCHOOL DISTRICT
 BUILDING FUND GENERAL OBLIGATION BONDS,
 MEASURE G (SERIES A, B, C, AND D)**

**SCHEDULE OF LONG-TERM OBLIGATIONS
 JUNE 30, 2013**

Upon maturity of Capital Appreciation Bonds, the bonds convert to Current Interest Bonds with the following mandatory early redemption requirements:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest to Maturity</u>	<u>Total</u>
2034-2038	\$ 10,425,000	\$ 14,614,963	\$ 25,039,963
2039-2043	19,065,000	10,675,240	29,740,240
2044-2047	24,050,000	3,717,000	27,767,000
Total	<u>\$ 53,540,000</u>	<u>\$ 29,007,203</u>	<u>\$ 82,547,203</u>

The Series D bond matures through 2018 as follows:

Current Interest Bonds

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest to Maturity</u>	<u>Total</u>
2014	\$ -	\$ 23,764	\$ 23,764
2015	270,000	23,764	293,764
2016	215,000	19,673	234,673
2017	145,000	15,631	160,631
2018	70,000	12,470	82,470
2019	390,000	10,721	400,721
Total	<u>\$ 1,090,000</u>	<u>\$ 106,023</u>	<u>\$ 1,196,023</u>

**BAKERSFIELD CITY SCHOOL DISTRICT
 BUILDING FUND GENERAL OBLIGATION BONDS,
 MEASURE G (SERIES A, B, C, AND D)**

**RECONCILIATION OF ANNUAL FINANCIAL REPORT WITH AUDITED
 GENERAL OBLIGATION BOND FUND
 JUNE 30, 2013**

Summarized below are the fund balance reconciliations between the Unaudited Actual General Obligation Bond Fund and the audited General Obligation Bond Fund.

	<u>Building¹ Fund</u>
FUND BALANCE	
Balance, June 30, 2013, Unaudited Actuals	\$ 11,337,046
Decrease in:	
Cash in county treasury - fair market value adjustment	<u>(103,377)</u>
Balance, June 30, 2013, Audited General Obligation Bond Fund	<u><u>\$ 11,233,669</u></u>

¹ Only includes Proposition 39 General Obligation bond proceeds.

**BAKERSFIELD CITY SCHOOL DISTRICT
BUILDING FUND GENERAL OBLIGATION BONDS,
MEASURE G (SERIES A, B, C, AND D)**

**NOTE TO SUPPLEMENTARY INFORMATION
JUNE 30, 2013**

NOTE 1 - PURPOSE OF SCHEDULES

Schedule of Long-Term Obligations

This schedule provides a debt repayment schedule associated with the bond proceeds received through issuance of Building Fund Measure G, Series A, B, C, and D obligations.

Reconciliation of Annual Financial Report With Audited General Obligation Bond Fund

This schedule provides the information necessary to reconcile the fund balance of the Building Fund (General Obligation Bonds, Measure G) reported on the Unaudited Actual General Obligation Bond Fund to the audited General Obligation Bond Fund.

INDEPENDENT AUDITORS' REPORT



**INDEPENDENT AUDITORS' 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' Oversight Committee
Bakersfield City School District
Bakersfield, California

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 Bakersfield City School District (the District) Building Fund (General Obligation Bonds, Measure G), as of and for the year ended June 30, 2013, and have issued our report thereon dated November 27, 2013.

As discussed in Note 1, the financial statements present only the Building Fund specific to General Obligation Bonds, Measure G, and are not intended to present fairly the financial position and results of operations of Bakersfield City School District in conformity with accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

Management of Bakersfield City School District is responsible for establishing and maintaining effective internal control over financial reporting.

In planning and performing our audit, we considered Bakersfield City School District'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 Bakersfield City School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Bakersfield City School District's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting 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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined previously.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bakersfield City School District's Building Fund (General Obligation Bonds, Measure G) 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vannink, Trine, Day & Co., LLP

Fresno, California
November 27, 2013

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**BAKERSFIELD CITY SCHOOL DISTRICT
BUILDING FUND GENERAL OBLIGATION BONDS,
MEASURE G (SERIES A, B, C, AND D)**

**FINANCIAL STATEMENT FINDINGS
JUNE 30, 2013**

None reported.

**BAKERSFIELD CITY SCHOOL DISTRICT
BUILDING FUND GENERAL OBLIGATION BONDS,
MEASURE G (SERIES A, B, C, AND D)**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2013**

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