To the Governing Board
And the Measure D Citizens’ Oversight Committee
of Cabrillo Community College District

We have audited the financial statements of Cabrillo Community College District 2004 bond fund resources – Measure D funds for the year ended June 30, 2011, and have issued our report thereon dated February 13, 2012. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 21, 2011. Professional standards also require that we communicate to you the following information related to our audit.

**Significant Audit Findings**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Cabrillo Community College District bond fund resources are described in Note 1 to the financial statements. There were no new accounting policies adopted in 2011. The application of existing policies was not changed during 2011. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no significant estimates.

**Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

**Corrected and Uncorrected Misstatement**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.
Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor’s report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representation

We have requested certain representations from management, that are included in the management representation letter dated February 13, 2012.

Management Consultations with Other Independent Accountant

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Organization’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of Governing Board, Measure D Citizens’ Oversight Committee and management of Cabrillo Community College District and is not intended to be and should not be used by anyone other than these specified parties.

Vaurinek, Tiene, Day & Co LLP

Pleasanton, California
February 13, 2012
### Fund: 2004 Bond Resources

<table>
<thead>
<tr>
<th>Description of Audit Difference</th>
<th>Cause</th>
<th>Financial Statements Effects - Amount of Over (Under) Statement of:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Total Assets</td>
<td>Total Liabilities</td>
</tr>
<tr>
<td>Cash in County understated</td>
<td>Districts do not always record the difference between fair market value and cost for County cash funds. This is a difference on $10.5M of County Cash between generally accepted accounting principles and industry practice.</td>
<td>$ (25,533)</td>
<td>$ -</td>
</tr>
<tr>
<td>Accounts payable - arbitrage overstated</td>
<td>Estimated payable that may change when due to IRS</td>
<td>-</td>
<td>21,688</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>(25,533)</td>
<td>21,688</td>
</tr>
<tr>
<td>Financial Statement Caption Totals</td>
<td></td>
<td>12,573,505</td>
<td>233,170</td>
</tr>
<tr>
<td>Net Audit Differences as % of F/S Captions</td>
<td></td>
<td>-0.20%</td>
<td>9.30%</td>
</tr>
</tbody>
</table>