

December 18, 2012

Christy White, CPA

John Dominguez, CFE

Heather Daud

Eric J. Hart

Michael Ash, CPA

Erin Sacco Pineda, CPA

To the Board of Trustees  
Mount Diablo Unified School District

We have audited the financial statements of Mount Diablo Unified School District for the fiscal year ended June 30, 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. Professional standards also require that we communicate to you the following information related to our audit.

**Significant Audit Findings**

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements.

We noted no transactions entered into by the District 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. The most sensitive estimate affecting the financial statements was the use of an actuary to estimate the District's OPEB liability.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no financial statement disclosures deemed particularly sensitive.

*Difficulties Encountered in Performing the Audit*

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

SAN DIEGO  
2727 Camino Del Rio South  
Suite 219  
San Diego, CA 92108

RANCHO CUCAMONGA  
8686 Haven Avenue  
Suite 250  
Rancho Cucamonga, CA 91730

ALAMEDA  
1050 Marina Village Parkway  
Suite 201  
Alameda, CA 94501

tel: 619.270.8222  
fax: 619.260.9085  
www.cwacpa.com

*Licensed by the California  
State Board of Accountancy*

*Corrected and Uncorrected Misstatements*

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. Management has corrected all such misstatements. 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 auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

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

*Management Consultations with Other Independent Accountants*

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 District'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 District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

We would like to take this opportunity to express our sincere appreciation to all personnel within the district for their cooperation and valuable assistance during the performance of this engagement.

This report is intended solely for the information and use of the Board of Trustees and the Mount Diablo Unified School District's management, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Christy White Associates*

San Diego, California