



Citizen's
Oversight
Committee
Measures
G & J

Citizens' Oversight Committee 2017 Report to the Board of Trustees for Fiscal Year ending June 30, 2016



The Citizens' Oversight Committee will be presenting this annual report to the Board of Trustees at its May 2017 meeting to certify the use of the bond funds for both Measures G & J. In addition to its findings, this report also provides an overview of this committee, the bond language, and recommendations. The attachments provide important, contextual information, such as a Summary of Projects, Project Costs, an Application to serve on the Oversight Committee, and Audit Reports.

Please review the enclosed report and addendums, and we will join you at your May meeting to answer any questions you may have.

Overview of COC

This Citizen's Oversight Committee (COC) is a public body formed to comply with the commitment to the community regarding the bonds, which generally meets quarterly. Regular and special meeting calendar, agendas, and minutes when available, are posted on the District website www.arusd.org. The COC has met five times since its last report to the Board in May of 2016. A quorum was present on all of those occasions.

- ✘ June 23, 2016
- ✘ September 15, 2016
- ✘ January 18, 2017
- ✘ March 15, 2017
- ✘ May 3, 2017

Currently the COC has three open seats. (Taxpayer's Organization, PTA/SSC/Parent, Senior Citizen Group). As we warned in our report last year several of our members have reached the end of their tenure as of the completion of this report. We will require support

from the District, trustees and community to fill those seats as mandated in the bond measures.

Due to continued upheaval in the business services department at A.R.U.S.D. we again had challenges in fulfilling our stated purpose. It is the opinion of this committee that more must be done to maintain the continuity of leadership in the district offices. The trustees must find a way to reduce constant turnover in key roles that creates instability in various strata of the district, which in turn impacts staff, students and the community served.

Efforts to inform the public have continued by coordinating with the Superintendent's office staff to update the website and to increase use of the District Facebook page. The archives of this body, which include project management updates to the Board of Trustees are available online and can be accessed at: <http://www.arusd.org/>



Adelante Paving Project

The History of this Committee and the Bonds

The voters of the Alum Rock community passed Measure G in June 2008 and Measure J in November 2012, providing necessary funding for implementation of bonds projects as promised to taxpayers. Each of these bond measures were passed under Proposition 39, which only requires a 55% taxpayer approval. However, both Measure G & Measure J were passed with an approval rate exceeding 79% by the Alum Rock community taxpayers. Last fall Measure I passed, but it is not part of the fiscal cycle for this report.

The following language included in each of the adopted Board resolutions identifies the primary purposes of Measure G and Measure J:

“To improve neighborhood schools, fix leaky, deteriorated roofs, improve fire safety, repair and upgrade classrooms, improve student safety and security, renovate outdated restrooms, upgrade heating/ventilation/electrical systems for energy efficiency, and computer technology, shall Alum Rock Union Elementary School District issue (\$179 million for Measure G and \$125 million for Measure J) million of bonds at legal rates to renovate, acquire, construct, repair and equip schools, sites and facilities with required independent financial audits, citizen’s oversight and no money for administrators’ salaries.”

The former committee for Measure G dissolved after placing their final report in 2012, which covered the fiscal/ school year ending June 2010. The current committee consists of members originally recruited by the board of trustees in April 2013 as well as new additions recruited this year to fill vacancies.

In addition to reviewing Measure G and Measure J progress and expenditures on a quarterly basis, the committee read the annual performance reports and financial audits conducted by Crowe Horvath. These reports disclosed no instances of non-compliance.

Findings and Recommendations

The committee acknowledges that to the best of its knowledge, Alum Rock Union Elementary School District is in compliance with the requirements as set forth in Article XIII A, Section 1(b) (3) of the California Constitution. Specifically, bond revenue has been expended only for the purposes so described in Measures G & J. Nonetheless, the members of this committee are unified in concerns about the use of funds from the bond measures. Although the bond funds were spent according to the annual audit, the spirit of the bond language and measure insinuates that facility's repair and upgrades will take priority. However, based on expenditures for a new building, this committee has cause for concern that not all safety repairs will be made, as there are finite resources.

Our community supported the Staff, Students and Families of this district by voting to support the bond measures for the safety of our students, yet many projects identified on an expensive needs assessment years ago, have not even begun.



Cassell restroom sinks before and after.

We call on the trustees to change the direction of building new construction until they have fulfilled the promise to fix what is broken. By delegating over \$20 million to new buildings at two sites, we do not feel the use has truly provided for the safety and security of *all* of our students.

While those funds sit in reserve, students have to endure extreme temperatures while taking state testing without HVAC options. How can we expect their best in that situation?

↓ *Lee Mathson Middle School Bathrooms*



Others are forced to endure the most basic facilities in damaged, defaced and disintegrating states. The bathroom pictured has been set for upgrade the last three summers. You can see a hole in a wall, stall doors that do not function and tiles shattered in the floor, yet each year it falls off the list. Although on schedule for this summer, we were told at our

last committee meeting that the contractor pulled out so it possibly will not be done again. That will be 4 years that this campus, which hosts two of our middle schools, has been shut down for summer programming. Parents and students continually ask “Why?” and we cannot answer that. The prioritization of projects must be addressed.

We feel that the trustees must provide an accessible opportunity for all community, including staff, students and neighbors to provide input and feedback to the Bonds and Facilities committee chaired by Trustee Marquez. This is where the priorities are first discussed, and the current daytime schedule for these public meetings is a disservice to those stakeholders because most are not available during that time due to work.

Finally, we again request a more thorough independent audit. The audits provided to this committee since 2014 are minimal and provide this Citizen Oversight Committee nothing more than boilerplate statements, with no real analysis of the data. They do not even provide insight into change orders and how they impact final costs. It is very difficult for this body to truly certify what is happening with such minimal information provided.

Thank you for the opportunity to serve our district, our neighbors and our students on this committee. We look forward to a lively conversation, to ensure that our community is getting what it is paying for.

Respectfully submitted by:

Committee Members

- *Christina Ramos, Vice Chair
- Frank Chavez
- Gustavo Gonzalez
- *Julie Ramirez (end of term)
- Pamela Gudino
- Raymond Mueller, Chair
- *Ric Abeyta

Representation Type

- Taxpayer's Organization
- Community-at-Large
- Business Representative
- PTA/SSC/Parent
- Community-at-Large
- PTA/SSC/Parent
- Senior Citizen Group

**Member is at end of term. Vacancy needs to be filled immediately.*

Meeting Calendar 2017-2018 Fiscal Year

- ✘ September 19, 2017 - Update/ Review Summer Projects Planned v. Actual
- ✘ January 16, 2018 - Receive Annual Audits, Update Summer 2018 Project List
- ✘ April 17, 2018 - Annual Report Preparation
- ✘ May 1, 2018 - Finalize Annual Report, Update on Summer 2018 Project List
- ✘ May 10, 2018 Submit Report to the Board of Trustees

Any special meetings will be determined as needed per the committee by-laws.

Attachments:

Summary of Projects

- ✘ Addendum A
Report provided by Del Terra to the Trustees is available at:
<http://www.arusd.org/cms/lib7/CA01001158/Centricity/Domain/23/ARUESD.Measure.J.July%2014.16.Brd.Update.v2.pdf>

Project Costs

- ✘ *(document provided by Louie / Kolvira to be attached)*

Application for the Citizens Oversight Committee

Measure J Financial Statement June 30, 2016

- ✘ Financial Audit
- ✘ Performance Audit



Hubbard Grading Project for new portables