

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

BOARD OF TRUSTEES



**Special Board Meeting
October 27, 2017**



Friday, October 27, 2017
AMENDED AGENDA FOR THE SPECIAL BOARD MEETING

Type: AMENDED AGENDA FOR THE SPECIAL BOARD MEETING

Time: 7:30 p.m.

Code: SPECIAL #08-16/17

Location: ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT, 2930 Gay Avenue, San Jose, CA 95127; Board Room.

In compliance with the Americans with Disabilities Act, if you need special assistance in order to participate in the public meeting of the Board of Trustees, please contact the Office of the Superintendent at (408) 928-6822.

1. OPEN SESSION - CALL TO ORDER AND ROLL CALL

1.01 CALL TO ORDER / ROLL CALL / PLEDGE OF ALLEGIANCE BY PRESIDENT ESAU RUIZ HERRERA.

2. PUBLIC MEMBERS WHO WISH TO ADDRESS THE BOARD

2.01 "REQUESTS TO ADDRESS THE BOARD" provides members of the public an opportunity to speak to the Board. Comments are limited to the matters on the Special Board Meeting Agenda for Friday, October 27, 2017.

3. SUPERINTENDENT / BOARD BUSINESS

3.01 INFORMATION/DISCUSSION/ACTION: Re-Negotiation of Construction Management (CM) and Program Management (PM) Agreements with Del Terra.

3.02 INFORMATION/DISCUSSION/ACTION: Review and Respond to the Conditional Approval of the 2017-18 Adopted Budget from the Santa Clara County Office of Education.

4. ADJOURNMENT

4.01 President adjourns the meeting.

Office of Superintendent of Schools

ITEM REQUIRING ATTENTION - BOARD OF EDUCATION

Board of Trustees:

October 24, 2017

**Subject: RE-NEGOTIATION OF CONSTRUCTION MANAGEMENT (CM)
AND PROGRAM MANAGEMENT (PM) AGREEMENTS
WITH DEL TERRA**

INFORMATION/DISCUSSION/ACTION

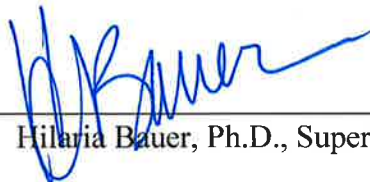
Submitted by: Hilaria Bauer Title: Superintendent

To the Board of Trustees:

Meeting: October 27, 2017
Special Board Meeting

Recommend Approval

3.01
Agenda Placement


Hilaria Bauer, Ph.D., Superintendent

DISPOSITION BY BOARD OF TRUSTEES

Motion by: _____ Seconded by: _____

Approved: _____ Not Approved: _____ Tabled: _____

Office of Superintendent of Schools

ITEM REQUIRING ATTENTION - BOARD OF EDUCATION

Board of Trustees:

October 24, 2017

**Subject: REVIEW AND RESPOND TO THE CONDITIONAL APPROVAL
OF THE 2017-18 ADOPTED BUDGET FROM THE SANTA CLARA
COUNTY OFFICE OF EDUCATION**

INFORMATION/DISCUSSION/ACTION

Submitted by: Hilaria Bauer Title: Superintendent

To the Board of Trustees:

Meeting: October 27, 2017
Special Board Meeting

Recommend Approval

3.02
Agenda Placement


Hilaria Bauer, Ph.D., Superintendent

DISPOSITION BY BOARD OF TRUSTEES

Motion by: _____ Seconded by: _____

Approved: _____ Not Approved: _____ Tabled: _____



ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

2930 Gay Avenue, San José, CA 95127 · Phone: 408-928-6800 · Fax: 408-928-6416 · www.arusd.org

October 27, 2017

To: Board of Trustees

From: Kolvira Chheng, Assistant Superintendent of Business Services

Re: Item #3.02 – Review and Respond to the Conditional Approval of the 2017-18 Adopted Budget from Santa Clara County Office of Education (SCCOE)

On September 15, 2017, the District was notified by the SCCOE that the District's 2017-18 Budget and Local Control Accountability Plan (LCAP) was "Conditionally Approved". Education Code 42127(c)(2) provides that the County Superintendent of Schools shall either conditionally approve or disapprove a budget that does not provide adequate assurance that the school district will meet its current and future obligations. The Education Code also provides that, in connection with the review of the District's budget, the County Superintendent is also to consider additional factors such as reports containing evidence that the school district is showing fiscal distress or displays a number of common predictors that a school district needs intervention. Per Education Code section 42127(d)(1), the County Superintendent has notified the District that, based on the SCCOE's review, the District's adopted budget does not meet the requirements of Education Code 42127 and is therefore "conditionally" approved.

Although SCCOE's letter noted that the District will be able to meet its minimum reserve requirement in all three years, it expressed a number of concerns:

1. FCMAT Report Items
 - a. Weakness in control environment.
 - b. Issues with governance including, but not limited to:
 - i. Micro-management of staff and decision making; and
 - ii. An erosion of public confidence in the Board's ability to make sound, ethical decisions, especially in the management of the Bond program.
 - c. Quarterly update of the status of planned action(s) for each recommendation in the June 9 FCMAT Audit Report.
2. Budgetary Items
 - a. Clearance of the following budget assumptions that appear to be understated:
 - i. CalPERS or CalSTRS rates; and
 - ii. Capital Outlay Expenditures.
 - b. Preparation of monthly cash reconciliations by each monthly due date.
 - c. Preparation of a cash flow report for the current fiscal year that utilizes the ending cash balance from the June 30th monthly cash reconciliation as verified by a third party such as the District's auditor.
 - d. Debt Service Plan for Non-Voter Approved Debt.

Hilaria Bauer, Ph.D., Superintendent

Board of Trustees: Esau Ruiz Herrera, President · Andrés Quintero, Vice-President
Dolores Márquez-Frausto, Clerk · Khanh Tran, Member · Karen Martinez, Member

In order to mitigate the conditional approval of the District's budget, staff is recommending the Board of Trustees to adopt all of the actions listed below.

With regards to the FCMAT report items listed above, the following reflect a list; however, not comprehensive, of the District's actions:

1. Refer to October 12 board meeting agenda item #7.01 titled "FCMAT Update, Request for Documents" (Attachment #1).
2. Established recurring weekly meetings with Del Terra.
3. Del Terra has informally agreed to the PM fees structure as reflected below (Attachment #2):
 - a. Billed by project; and
 - b. Excluded Del Terra's 6% CM fees from its 4% PM fees calculation; and
 - c. Excluded contingency from its calculation until change orders are approved by the District; and
 - d. Included provisions that allow the PM fees schedule to be revised due to changes in project assignment and/or timeline.
 - e. Note – Although Del Terra has agreed to the terms above, they are not memorialized into the various PM/CM master contracts with Del Terra.
4. Del Terra has informally agreed to the CM fees structure as reflected below (Attachment #2):
 - a. Billed only on construction cost, rather than total project cost; and
 - b. Excluded contingency from its calculation until change orders are approved by the District.
 - c. Note – Although Del Terra has agreed to the terms above, they are not memorialized into the various PM/CM master contracts with Del Terra.
5. Required its independent auditor to expand its audit procedures for the Bond program (Attachment #3).
6. In the process of issuing an RFP/Q for new legal counsel with the goal of having the Board of Trustees making a final decision at its December Board meeting (Attachment #4).
7. Obtained full 7 membership for the Citizens Bond Oversight Committee (CBOC) (Attachment #5).
8. Board approval of revised CBOC Bylaws (Attachment #6).
9. Required all new employees, consultants and elected or appointed members who are in the designated classifications to complete form 700.
10. Restructured its coding convention in its current financial system to be able to track expenditures by project.
11. Required all invoices for Bond projects to be verified by Bond Accountant, Director of Bonds/Facilities and Assistant Superintendent of Business Services before issuing payments.
12. All remaining FCMAT recommendations are being considered for appropriate actions.

Consistent with the Board's July 28th response to the FCMAT report, it is recommended that the Board direct staff to renegotiate the Program Management and Construction Management Agreements with Del Terra.

Hilaria Bauer, Ph.D., Superintendent

Board of Trustees: Esau Ruiz Herrera, President • Andrés Quintero, Vice-President
Dolores Márquez-Frausto, Clerk • Khanh Tran, Member • Karen Martinez, Member

With regards to the budgetary items listed above, the following are the District's actions:

1. CalPERS or CalSTRS rates – As required by SCCOE, the District will update at its First Interim Financial Report submission.
2. Capital outlay expenditures – The District has provided reports to SCCOE clarifying that lower projections are due to one-time expenditures, which no longer needed to be included in the District's budget (Attachment #7).
3. Cash reconciliation – The District completed its September cash reconciliation (Attachment #8). The October report is due to SCCOE on the 15th of November. Additionally, the District has designated staff and coverage to ensure that it remains current with its monthly cash reconciliation.
4. Cash flow report – The District is working with SCCOE to determine due date.
5. Debt service plan for non-voter approved debt – The District has provided SCCOE with a schedule of the COPs repayment plan, which identified Funds 21 and 35 as its funding sources (Attachment #9).

Per Education Code 42127(d)(1), the County Superintendent may assign a fiscal advisor to assist the District to develop a budget in compliance with the above-requested revisions and concerns.

Hilaria Bauer, Ph.D., Superintendent

Board of Trustees: Esau Ruiz Herrera, President • Andrés Quintero, Vice-President
Dolores Márquez-Frausto, Clerk • Khanh Tran, Member • Karen Martinez, Member



Santa Clara County Office of Education

Jon R. Gundry
County Superintendent of Schools

September 15, 2017

Mr. Esau Ruiz Herrera, Board President
Alum Rock Union Elementary School District
2930 Gay Avenue
San Jose, CA 95127

Dear Mr. Herrera:

Subject: Conditional Approval the 2017-18 Adopted Budget and Local Control Accountability Plan

In accordance with Education Code (EC) Sections 42127 and 52070, the Santa Clara County Office of Education (SCCOE)/Santa Clara County Superintendent of Schools (County Superintendent) has completed a review of the Alum Rock Union Elementary School District's (District) 2017-18 Budget and Local Control Accountability Plan (LCAP). That review has resulted in a "conditional approval" as authorized by EC 42127(d)(1).

Background

Annually, the County Superintendent/County Office is to review and approve, conditionally approve or disapprove the District's annual budget by September 15. The following are the critical items that the County Office has to consider:

- The budget report complies with the criteria and standards established pursuant to EC 33127.
- The adopted budget will allow the district to meet its financial obligations during the fiscal year and is consistent with a financial plan that will enable the district to satisfy its multi-year financial commitments.
- The LCAP and annual update adhere to the template adopted by the state board pursuant to EC 52064.
- The budget for the applicable fiscal year adopted by the district includes expenditures sufficient to implement the specific actions and strategies included in the LCAP adopted by the district, based on the projections of the costs included in the plan, and other factors such as audit reports pursuant to EC 42127.
- The LCAP and annual update to the LCAP adhere to the expenditure requirements adopted pursuant to EC 42238.07, and Title 5, CCR Sections 15494-15497.5 (Appendix G), for funds apportioned on the basis of the number and concentration of unduplicated pupils pursuant to EC 42238.02 and 42238.03.

Based on the analysis performed by staff, the fiscal year 2017 - 18 Adopted Budget and LCAP has been conditionally approved by the county superintendent. Per EC section 42127.4, for a conditionally approved budget, until a school district receives approval of its budget, the district shall

continue to operate on the basis of whichever of the following budgets contains a lower total spending authority:

1. The last budget adopted or revised by the governing board of the school district for the prior fiscal year
2. The unapproved budget for the current fiscal year, as adopted and revised by the governing board of the school district.

Conditional Approval

EC 42127(c)(2) provides that the county superintendent of schools shall either conditionally approve or disapprove a budget that does not provide adequate assurance that the school district will meet its current and future obligations. It also provides for the County Superintendent to consider additional factors such as reports containing evidence that the school district is showing fiscal distress and/or displays a number of common predictors that a school district needs intervention, as determined by the Fiscal Crisis and Management Assistance Team (FCMAT) (see Attachment A).

Some additional issues listed below, while individually may not be deemed sufficient cause for a conditional approval, however, the on-going and unresolved cash accounting issues coupled with concerns raised in the FCMAT report dated June 9, 2017 result in this conditional approval. The FCMAT report identifies weaknesses in the control environment and issues with governance. Board governance concerns include, but are not limited to:

- micro-management of staff and decision-making;
- an erosion of public confidence in the Board's ability to make sound, ethical decisions, especially in the management of the Bond program.

In reviewing the FY 2017-18 budget, the County Office identified several areas of concern relating to the assumptions used in developing the District's multi-year budget. Besides requesting clarity on these assumptions, we also noted that there are deficit spending and uncertainty on the source of funds to service non-voter approved long-term debt. These items are summarized below.

Cash and Deficit Spending

During the review process, the district indicated that Estimated Actuals for the prior fiscal year (2016-17) would result in a deficit totaling \$10.7 million while the current fiscal year 2017-18 proposed budget projects an additional \$10.2 million deficit, potentially depleting the District's reserves by \$20.9 million.

	Estimated Actuals 2016-2017	*2017-18	*2018-19	*2019-20
Revenues	\$134,624,892	\$128,449,571	\$133,145,276	\$131,256,587
Expenditures	\$145,077,285	\$138,692,460	\$134,280,580	\$134,184,379
Increase/(Decrease) in Fund Balance	(\$10.7)M	(\$10.2)M	(\$1.1)M	(\$2.9)M
Available Reserves		5.19%	5.26%	3.08%

*2017-2018 MYP Projections Report

Although the adopted budget projects that the District will be able to meet its minimum reserve requirement in all three years, we continue to be unclear of the District's cash position and are concerned with the District's trend of depleting available reserves. Since information on available cash is important to solvency and the warrant processing function, we need the District to provide clarity on its cash position with up-to-date cash reconciliations. Requests that the District prepare timely reconciliations of its book's cash to those of the County Treasury were made multiple times via communications from the County Office during this past fiscal year. Delays in providing these monthly reports are recurring. As of September 2017, the District has provided the County Office with cash reconciliation reports up to the month of May 2017. Notwithstanding the issue of preparing the monthly cash reconciliation timely, we are especially concerned that large and long outstanding reconciling items, aged up to three years, are not being cleared timely. Further, the District needs to determine how these reconciling cash amounts impact the planning of its sources and uses of cash in its cash flow reporting. Catching up on its monthly cash reconciliations and using these updated numbers in its cash flow reports remain an area of deficiency for the District and needs to be fully addressed before the District's 2017-18 Budget is approved.

Multi-year Budgeting

Our review of the underlying assumptions used to project certain expenditures indicate that some amounts may be understated.

- CalPERS or CalSTRS rates – It is unclear whether the district used the correct CalPERS or CalSTRS rates for budget projection or whether there was a misclassification of wages subject to CalPERS and CalSTRS. Therefore, we ask that the District review its fiscal year 2017-18, 2018-19, and 2019-20 budget (object code 3000-3999) to ensure that it reflects the correct rates and expenditures. Please provide us with any updated and/or revised projections at your First Interim Financial Report submission.
- Capital Outlay Expenditure - During the last three fiscal years, capital outlay expenditures for the district averaged just above \$1.3 million per year; however, capital outlay expenditure projections are presented as \$455,000 for each of the three years in the district's multi-year budget. Therefore, we ask the District to provide us with the detailed basis or rationale for these significantly lower projections.

Long-Term Non-voter Approved Debt

Over the past fiscal year, the County Office staff have requested information relating to the use of funds for all non-voter approved debt, including a \$25 million certificate of participation (COP) that was issued in 2010 for which most of the interest was covered by a Federal Qualified School Construction Bond. Repayment of principal began June 2016 and there are plans to use voter approved general obligation bond proceeds for payment of the remaining balance on the non-voter approved COP. Therefore, we are also requesting information on proceeds from the sale of a \$35 million general obligation bond that is included in the 2017-18 building fund budget, and how these funds or other bond proceeds might be used beyond the servicing of the COP.

Collective Bargaining Disclosures

Information reflected in the District's adopted budget indicates that certificated and classified labor negotiations for fiscal year 2017-18 are settled. The costs of these potential agreements were not previously submitted to our office for review prior to the Governing Board's approval. When any collective bargaining settlements are reached, we advise districts to carefully determine the impact of any related potential costs on its ability to maintain the minimum level of required reserves. Please be reminded of the public disclosure requirements that districts must follow prior to the Governing Board approving any proposed bargaining agreement, as well as the requirement to submit timely budget adjustments necessary to fulfill the terms of an agreement. Going forward, as the District considers future collective bargaining agreements, we request that the District provide the county office with the appropriate disclosures prior to board approval.

Conclusion

By October 8, 2017, except as otherwise provided above, please take the following actions or provide the requested information for further analysis by the county office of education to determine whether the budget, with any revisions, should be approved or disapproved:

- a. Report quarterly the current status of planned action(s) for each recommendation of the FCMAT audit dated June 9, 2017.
- b. Clearance of the budget assumptions that appear to be understated.
- c. Preparation of the monthly cash reconciliation by each monthly due date.
- d. Preparation of a cash flow report for the current fiscal year that utilizes the ending cash balance from the June 30th monthly cash reconciliation as verified by a third party auditor retained by the District and approved by the County Office of Education.
- e. Preparation of the debt service plan for non-voter approved debt that present the source of funds for the full repayment period.

We are committed to working closely with the Alum Rock School District to support your efforts to maintain a sound financial status. We appreciate the time and effort that will be placed into closing the open items from the FCMAT report as well as the management of cash and non-voter approved debt. We look forward to working with the District as you implement the recommendations outlined above. Should you have any questions concerning this review, please do not hesitate to contact me.

Sincerely,



Megan K. Reilly
Chief Business Officer
(408) 453-6832

Attachment A: FCMAT Indicators

Board President, Alum Rock Union Elementary School District
Page 5

cc: Members of the Board, Alum Rock Union Elementary School District
Hilaria Bauer, Ed. D., Superintendent, Alum Rock Union Elementary School District
Kolvira Chheng, Chief Business Officer, Alum Rock Union Elementary School District
Carlos Moran, Director, State & Federal Programs, Alum Rock Union Elementary School District
Jon R. Gundry, County Superintendent of Schools, Santa Clara County Office of Education
Jeanette Rodriguez-Chien, Ed. D., Chief Academic Officer, Santa Clara County Office of Education
Judy Lee Kershaw, Director - District Business and Advisory Services, Santa Clara County Office of Education
Anita Maharaj, District Business Advisor, Santa Clara County Office of Education



Santa Clara County Office of Education

Jon R. Gundry
County Superintendent of Schools

October 18, 2017

VIA EMAIL ATTACHMENT AND U.S. MAIL

Mr. Esau Ruiz Herrera, Board President
Alum Rock Union Elementary School District
2930 Gay Avenue
San Jose, CA 95127

Subject: Conditional Approval of the 2017-2018 Adopted Budget

Dear Mr. Herrera:

In our letter of September 15, 2017, the Santa Clara County Office of Education (SCCOE) notified the Board of Education and Alum Rock Union Elementary School District (District) staff that we had completed a review of the District's adopted 2017-2018 Budget which resulted in a "conditional approval" of the Budget as authorized by Education Code (EC) section 42127(d)(1). The conditions for approval were clearly outlined in the letter.

As required by EC 42127(d)(3), when a District's adopted budget is conditionally approved or disapproved, the Board of Education must take the following action:

... on or before October 8, the governing board of the school district, in conjunction with the county superintendent of schools, shall review and respond to the recommendations of the county superintendent of schools at a regular meeting of the governing board of the school district. The response shall include any revisions to the adopted budget and other proposed actions to be taken, if any, as a result of those recommendations.

So as to accommodate the Board's regular meeting schedule, our office advised your Chief Business Officer that it would extend the response date to October 12, 2017.

At your October 12, 2017 Board meeting while Item 11 on the agenda was listed as an informational item about our conditional approval letter, there was neither discussion nor action taken by the Board to approve of a response to the County Superintendent. Accordingly, the Board has violated EC 42127(d)(3) in failing to respond to the recommendations of the County Superintendent at a regular meeting of the Board of Education. Accordingly, in accordance with EC 42127(e) the County Superintendent by October 22, 2017 is constrained to report to the State Superintendent that the District's budget may be disapproved.

Notwithstanding this action, please be advised that our office will allow the Board until October 30, 2017 to take action to respond to the conditional approval letter. The response must include a listing of the planned or completed actions and the requested information in order for our office to conduct a further analysis to determine whether the budget, with any revisions, should be approved or disapproved. Once again, we must have this information and any supporting documents by October 30, 2017 to perform our analysis, and by November 8, 2017, be in a position to advise the State Superintendent of Public Instruction that the District's budget is disapproved should the Board response be deemed inadequate.

As noted in the conditional approval letter, several of the requested items related to cash and non-voter approved debt date back to August 2016 and are essential to the controls of the District's warrant processing operations and its revenue and spending plan as described in the Budget. The Board must take the following actions or provide the requested information for further analysis by the County Office of Education to determine whether the budget, with any revisions, should be approved or disapproved:

- a. Report quarterly the current status of planned action(s) for each recommendation of the FCMAT audit dated June 9, 2017.
- b. Clarify the budget assumptions that appear to be understated or provide revisions.
- c. Prepare the monthly cash reconciliation by each monthly due date and inform us of the actions being taken to clear long-outstanding reconciling items.
- d. Prepare a cash flow report for the current fiscal year that utilizes the ending cash balance from the June 30th monthly cash reconciliation as verified by a third party auditor retained by the District and approved by the County Office of Education.
- e. Prepare the debt service plan for non-voter approved debt that present the source of funds for the full repayment period along with any Board resolutions necessary to move cash between funds.

Please be advised that disapproval of the District's adopted budget by the County Superintendent has significant consequences:

- EC Section 42127.1 and 42127.3 requires that if a district's budget is disapproved by the county superintendent, then a budget review committee shall be appointed from a list of qualified persons provided by the state superintendent, unless the district and county superintendent agree to seek a waiver from the state superintendent. By December 31, failing to approve of a district budget, the county superintendent must develop and adopt a fiscal plan and budget that will govern the district. Thereafter, the county superintendent may cancel district purchase orders and take other actions as outlined in EC 42127(b)(2)-(7).
- EC 42127.3(d): The school district shall pay 75 percent and the county office of education shall pay 25 percent of the actual administrative expenses incurred pursuant to subdivision (b) of EC 42127.3, or costs associated with improving the district's financial management practices.

We look forward to the Board's response.

Sincerely,



Megan K. Reilly
Chief Business Officer

cc: Members of the Board, Alum Rock Union Elementary School District
Hilaria Bauer, Ed.D., Superintendent, Alum Rock Union Elementary School District
Kolvira Chheng, Chief Business Officer, Alum Rock Union Elementary School District
Jon R. Gundry, County Superintendent of Schools, Santa Clara County Office of Education
Judy Lee Kershaw, Director-District Business and Advisory Services, Santa Clara County Office of Education
Anita Maharaj, District Business Advisor, Santa Clara County Office of Education

ATTACHMENT #1



ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

2930 Gay Avenue, San José, CA 95127 · Phone: 408-928-6800 · Fax: 408-928-6416 · www.arusd.org

October 12, 2017

To: Board of Trustees

From: Kolvira Chheng, Assistant Superintendent of Business Services

Re: Item #7.01 - FMCAT Update - Request for Documents

At a special board meeting held on July 27, 2017, the Board of Trustees authorized a formal written response to the FCMAT Extraordinary Audit. Consistent with the response and actions and timelines approved by the Board, the District sent Del Terra six separate letters on August 4, 2017, requesting deliverables, documents and records under the agreements between Del Terra and the District as follows:

1. Agreement for Additional Services: DSA Close Out Certification Services (Exhibit "A")
2. Request for Deliverables, Documents and Records pursuant to Program and Construction Management Agreement (Measure "I") dated November 10, 2016 (Exhibit "B")
3. Request for Deliverables, Documents and Records pursuant to Program Management Agreement (Measure "J") dated November 10, 2016 (Exhibit "C")
4. Request for Deliverables, Documents and Records pursuant to Construction Management Agreement (Measure "J") dated November 10, 2016 (Exhibit "D")
5. Request for Deliverables, Documents and Records pursuant to Program Management Agreement (Measure "J") dated May 9, 2013 (Exhibit "E")
6. Request for Deliverables, Documents and Records pursuant to Construction Management Agreement (Measure "J") dated October 1, 2013 (Exhibit "F")

DSA Close Out Certification Services

With regard to letter #1 listed above (DSA Close Out Certification Services agreement), the letter included an August 18, 2017, deadline for Del Terra to provide requested documents and information to the District. On August 19, 2017, Del Terra requested a one week extension due to Mr. Luis Rojas being out of town and unavailable during the week of August 13 – 18. Subsequently, at a weekly meeting between the District and Del Terra held on August 24, 2017, Del Terra provided the District with the following items:

1. A response letter from Del Terra dated August 24, 2017 (included in Exhibit "A");
2. A print out of a screen shot indicating approximately 127 gigabytes of documents and plans relating to DSA close out projects (labeled "November 2013 thru June 2015");
 - a. At the August 24th meeting, Del Terra requested the District to review the files and inform Del Terra as to which files the District is requesting for its records and files.
 - b. On August 27, 2017, the District e-mailed Del Terra directing Del Terra to provide all files it had in its possession relating to the performance of the work under the DSA Close Out agreement;

Hilaria Bauer, Ph.D., Superintendent

Board of Trustees: Esau Ruiz Herrera, President · Andrés Quintero, Vice-President
Dolores Márquez-Frausto, Clerk · Khanh Tran, Member · Karen Martinez, Member

- c. At a regularly scheduled weekly meeting between the District and Del Terra on August 31, 2017, Del Terra provided the District with a hard drive believed to contain the 127 gigabytes of documents related to the DSA close out projects.
- 3. Matrices listing DSA close out projects and the status of each project
 - a. Upon the District's review of the matrices, the District informed Del Terra that some items on the matrices do not match the list that was included in the DSA Close Out Certification Services agreement between the District and Del Terra.
 - b. Del Terra informed the District that the reason for the difference is because Del Terra created the matrices using information from the State's (DSA's) website rather than the list provided in the DSA Close Out Certification Services agreement.
 - c. The District provided Del Terra with the list that was included in the DSA Close Out Certification Services agreement for Del Terra to reconcile with its matrices.
 - d. As of this date Del Terra has not reconciled the project lists between the two documents.

The District also requested that, per the Board-approved response to the FCMAT Report, that Del Terra provides a spreadsheet detailing the status of all projects specified in the Agreement to include the following information: (i) the original projects that need to be certified (not all district projects ever completed, which causes confusion); (ii) the status of each project and whether the Del Terra Group obtained the certification and date of certification; (iii) an indication of the project certification work in progress and any significant issues; and (iv) a bottom-line total of projects still uncertified,

Del Terra has provided the District a spreadsheet which appears to show the certification status of 113 separate projects. That spreadsheet indicates that at least 33 separate projects on the spreadsheet remain uncertified.

The District is continuing in its review of the information provided by Del Terra.

**Documents and Information Relating to the 2013 and 2016 Measure J and Measure I
Program Management Agreements and Construction Management Agreements**

With regard to letters #2 - #6 listed above relating to the several agreements for program management and construction management services, Del Terra was requested in each of the separate letters to provide all documents, deliverables and records to the District by August 28, 2017.

In a letter dated August 27, 2017 (Exhibit "G"), Del Terra stated that the District's timeframe to provide the documentation is not consistent with industry standard and is unreasonable. According to Del Terra, this type of effort typically requires 60 days. Del Terra also suggested using an alternative approach by which the District would first identify what is in the District's possession, and the District would then determine what further documentation the District desires for its files.

Hilaria Bauer, Ph.D., Superintendent

Board of Trustees: Esau Ruiz Herrera, President • Andrés Quintero, Vice-President
Dolores Márquez-Frausto, Clerk • Khanh Tran, Member • Karen Martinez, Member

On August 31, 2017, at a regularly scheduled weekly meeting between the District and Del Terra, the District directed an alternative approach with which Del Terra would provide the District with a list of all projects since 2013 for which Del Terra provided program management and/or construction management services. Additionally, Del Terra would provide by project a list of documentation that the District should have. Once that is provided by Del Terra, the District will review the list to determine if additional documents are required. Del Terra informed the District that it will work on producing the requested deliverables.

The District's August 4 letter did not direct Del Terra to create documents, but rather to provide program and project documents which, under the agreements, Del Terra was already required to have compiled and maintained in an organized document archive system. On that basis, on September 14, 2017, the District sent Del Terra a letter (Exhibit "H") clarifying that Del Terra must provide all documentation under the agreements.

On September 21, 2017, the District received a letter from Del Terra informing the District that it is gathering all of the requested documents pursuant to the District's September 14, 2017 letter. (Exhibit "I".) However, Del Terra noted that it is not a simple effort and will take a reasonable amount of time to complete and that Del Terra was reserving its "right to seek compensation for additional services based upon the duplication of effort that is required by the District's request".

The District responded to Del Terra on September 29, 2017 (Exhibit "J"), emphasizing that documents must be submitted in an organized fashion pursuant to the various program management agreements and that since Del Terra was required to develop and implement a document management control system as part of its "Basic Services" under the agreements, and that, as provided in the agreement, all documents are to be maintained at the District Office, the provision of the required documents in an organized fashion to the District would not be an additional service for which the District would pay additional compensation to Del Terra. Additionally, Del Terra was reminded of the District's multiple requests beginning in September 2016 for documents supporting Del Terra's billing for construction management services for the Fischer Middle School, George Middle School, Dorsa HVAC and LUHCA HVAC projects, including all supporting documentation relating to all Del Terra invoices including personnel names and positions, timesheets, actual hours worked, and applicable hourly rates.

On October 3, 2017, the District received a letter from Del Terra (Exhibit "K") indicating that it is compiling documents relating to the construction management services for the Fischer Middle School, George Middle School, Dorsa HVAC and LUHCA HVAC projects. Those documents were originally requested by the District on September 13, 2016. Since October 3, Del Terra has not provided the requested documents.

On Friday, October 6, 2017, Del Terra provided the following items:

1. External Hard Drive believed to contain some project documents
2. Measure "J" Project Documentation List 2013-2017
3. Del Terra Document Filing System Index
4. Screen Shot of Del Terra File Structure

The "Measure 'J' Project Documentation List 2013-2017" provided by Del Terra (Exhibit "L") indicates that a least thirty-three (33) separate District Measure J projects are missing

Hilaria Bauer, Ph.D., Superintendent

Board of Trustees: Esau Ruiz Herrera, President · Andrés Quintero, Vice-President
Dolores Márquez-Frausto, Clerk · Khanh Tran, Member · Karen Martinez, Member

"Warranties/Guarantee", seven (7) separate projects are missing signed construction contract agreements, and that at least thirty (30) projects do not have signed bid and/or contract-related documents.

The District is continuing in its review of the documents provided on October 6 to identify other missing documents and files and in an effort to assess the organization of the materials provided.

Hilaria Bauer, Ph.D., Superintendent

Board of Trustees: Esau Ruiz Herrera, President · Andrés Quintero, Vice-President
Dolores Márquez-Frausto, Clerk · Khanh Tran, Member · Karen Martinez, Member

ATTACHMENT #2



ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

2930 Gay Avenue, San José, CA 95127 · Phone: 408-928-6800 · Fax: 408-928-6416 · www.arusd.org

April 20, 2017

Re: Del Terra's PM/CM Fees for Measures J and I

Dear Luis Rojas,

Please see the District's feedback below.

1. Work Authorization for Measure J – CM Services: Per Exhibit A of the CM Agreement for Measure J, CM fees are 6% of the "Construction Costs," not total project cost. However, the Work Authorization letter references total project costs rather than "Construction Costs." This should be changed to reflect the "Construction Costs" per the bids or the projected estimates.

For example, the Estimated Project Cost on the Work Authorization for Fisher is \$13,797,613 while the projected construction cost provided by DT is \$10,300,000. Similarly differences exist for George, Dorsa and LUCHA.

Note: Construction cost does NOT include contingency until such portions of the contingency are approved via change orders.

2. Work Authorization for Measure J – PM Services: Per Exhibit C of the PM Agreement for Measure J, PM fees are 3% of "Quick Start Project" and 4% of all other, excluding payments for COPs, underwriter & bond counsel, purchase of technology, and funds allocated to charters.

Also, DT would be paid a 4% Program Management fee against its own Construction Management fee. Even though the agreement is written in a way that allows this, given that both the District and DT are under high level of scrutiny, it is probably in the best interest of both parties for DT to deduct the CM fee from the PM fee calculation.

In addition, I believe that the District would have the right to exclude contingency from the PM (and CM) calculation. Obviously, if Change Orders are approved that dip into the contingency, then these amounts would be subject to both CM and PM fees.

Therefore, I suggest that the Work Authorization letter be changed to match the written estimate provided by DT, less Contingency and CM costs.

3. Measure J PM Payment Schedule: The payment schedule seems to be shortened considerably. For example, the total payment for Dorsa HVAC would be made by August, even though final close out could easily extend to September, October or later. Similar issues occur for other projects. I would suggest that that payment timeline be extended through anticipate total close-out, which typically occurs months after anticipated occupancy.

Hilaria Bauer, Ph.D., Superintendent

Board of Trustees: Khanh Tran, President · Andrés Quintero, Vice-President
Dolores Márquez-Frausto, Clerk · Esau Ruiz Herrera, Member · Karen Martínez, Member

Also, as referenced above, I would suggest that Estimated Project Budgets/Costs be reduced by the amount of the Contingency and CM fees.

4. Work Authorization for Measure I – PM/CM Services: Per Exhibit C of the PM/CM Agreement for Measure I, CM fees are 6% of Construction Costs ONLY, not total project budgets, while PM fees are 4% of funds designated by the District for capital construction projects. Since CM fees are based solely on Construction Costs, these Construction Costs should be specified on the Work Authorization, but only Total Project Costs (including contingency) are currently listed. Again, it would be within the District's right to exclude contingency from such costs until change orders are approved that use such contingency amounts.

As with the Measure J PM fee calculation, it appears that PM fees are charged for DT's CM services. While this appears allowable per the PM/CM agreement, we recommend that DT deduct the CM fee from the PM fee calculation.

5. Measure I PM Payment Schedule: The payment schedule proposes to charge based on \$44 million in project costs (just for Measure I) through December 2018. That is in addition to \$30 million in Measure J projects costs during the same period. That schedule of expenditures seems highly unlikely, as I doubt that Alum Rock will have access to \$74 million over this time period (the next 20 months). Obviously, the PM payment schedules for both Measure J and Measure I need to be lengthened considerably. Also, the total amounts should be reduced to eliminate contingency (until change orders that use such contingency are approved) and also possibly reduced to eliminate paying PM fees on DT's CM fee.

6. The District recognizes that DT has not been paid for several months and it is our intent and desire to resolve the Authorization issues quickly so DT can be paid in a more timely manner.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Kol S', with a long horizontal flourish extending to the right.

Kolvira Chheng
Assistant Superintendent, Business Services

Hilaria Bauer, Ph.D., Superintendent

Board of Trustees: Khanh Tran, President • Andrés Quintero, Vice-President
Dolores Márquez-Frausto, Clerk • Esau Ruiz Herrera, Member • Karen Martínez, Member

ARUESD Bond Measure I - Del Terra PM Services
Detail Fee Schedule by Phase, by Proration
As of May 26, 2017 v6

Project Name	Estimated Proj Budget	PM Effort	PM Fee 4.0%	PM Fee Allocation			Total	Jan. 2017	Feb. 2017	Mar. 2017	Apr. 2017	May 2017	June 2017	July 2017	Aug. 2017	Sept. 2017	Oct. 2017	Nov. 2017	Dec. 2017
				60%	60%+30% = 90%	90%+10% = 100%													
				Planning Phase (60%)	Construction (30%)	Post-Construct'n (10%)													
Bond Measure I Projects (Bnd Aprvd Jan. 2017)																			
Hubbard K-8 Phase 2: New 9 Modular Classrm Bldgs	\$ 2,800,000	Feb 2017 - Oct 2017, 9 mths	\$ 112,000	Feb. 2017 - May 2017 4mths	June 2017 - Aug. 2017 3mths	Sep 2017 - Oct 2017 2mths													
				67,200	33,600	11,200													
Hubbard K-8 Phase 2: Ext. Lunch Shelter	120,000	Feb 2017 - Oct 2017 9 mths	4,800	Feb. 2017 - May 2017 4mths	June 2017 - Aug. 2017 3mths	Sep 2017 - Oct 2017 2mths													
				2,880	1,440	480													
Re-Roofing/ Replacem: LUCHA	329,000	Feb 2017 - Sept 2017, 8 mths	13,160	Feb. 2017 - May 2017 4mths	June 2017 - Aug. 2017 3mths	Sep 2017 - Oct 2017 1mth													
				7,896	3,948	1,316													
Re-Roofing/ Replacem: Russo 2 Classrm Wings	384,000	Feb 2017 - Sept 2017, 8 mths	15,360	Feb. 2017 - May 2017 4mths	June 2017 - Aug. 2017 3mths	Sep 2017 - Oct 2017 1mth													
				9,216	4,608	1,536													
Upgrade/ Rmce Roof Repairs: Matheson MS	654,500	Feb 2017 - Sept 2017, 8 mths	26,180	Feb. 2017 - May 2017 4mths	June 2017 - Aug. 2017 3mths	Sep 2017 - Oct 2017 1mth													
				15,708	7,854	2,618													
Refurbish Restrooms: Matheson MS	600,000	Feb 2017 - Sept 2017, 8 mths	24,000	Feb. 2017 - May 2017 4mths	June 2017 - Aug. 2017 3mths	Sep 2017 - Oct 2017 1mth													
				14,400	7,200	2,400													
Re-Roof/ Replacem: D.O. (Hmc Bldgs 600, 700, 800 & Covered Walkways)	242,000	Feb 2017 - Sept 2017, 8 mths	9,680	Feb. 2017 - May 2017 4mths	June 2017 - Aug. 2017 3mths	Sep 2017 - Oct 2017 1mth													
				5,808	2,904	968													
KIPP Charter- Entire Campus	753,000	Feb 2017 - Sept 2017, 8 mths	31,720	Feb. 2017 - May 2017 4mths	June 2017 - Aug. 2017 3mths	Sep 2017 - Oct 2017 1mth													
				19,032	9,516	3,172													
Matheson Multi-Purpose Building: Modernization	6,000,000	Feb 2017 - Apr 2018, 15mths	240,000	Feb 2017 - Apr 2018 15mths															
				16,000 Per Mth															
							\$ 240,000		\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000

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ARUESD Bond Measure I - Del Terra PM Services
Detail Fee Schedule by Phase, by Proration
As of May 26, 2017 v6

Project Name		Estimated Proj Budget	PM Effort	PM Fee 4.0%	PM Fee Allocation			Total	Jan. 2017	Feb. 2017	Mar. 2017	Apr. 2017	May 2017	June 2017	July 2017	Aug. 2017	Sept. 2017	Oct. 2017	Nov. 2017	Dec. 2017
					60%	60%+30% = 90%	90%+10% = 100%													
					Planning Phase (60%)	Construction (30%)	Post-Const'n (10%)													
Mathison Multi-Purpose Bldg: Clean Up			May 2017 - June 2017 2mths			May 2017 - June 2017 2mths								Construction						
Mathison Multi-Purpose Bldg: Move In			Mar 2018 - Apr 2018, 2 mths			Mar 2018 - Apr 2018, 2mths														
HVAC Upgrade: Adairville ES		July 2017 - Oct 2018, 16 mths				July 2017 - Oct 2018 16mths														
		3,317,800				8,295 Per Mth														
McClellan ES		July 2017 - Oct 2018, 16 mths				July 2017 - Oct 2018 16mths														
		3,317,800				8,295 Per Mth														
Carleton ES		July 2017 - Oct 2018, 16 mths				July 2017 - Oct 2018 16mths														
		3,317,800				8,295 Per Mth														
Restroom DSA Mod.: Chavez ES		July 2017 - Oct 2018, 16 mths				July 2017 - Oct 2018 16mths														
		900,000				2,250 Per Mth														
Parking Expansion - New Drop off areas - Security Fencing: Adairville ES		July 2017 - Oct 2018, 16 mths				July 2017 - Oct 2018 16mths														
		1,200,000				3,000 Per Mth														
Cassell ES		July 2017 - Oct 2018, 16 mths				July 2017 - Oct 2018 16mths														
		1,200,000				3,000 Per Mth														
Meyer ES		July 2017 - Oct 2018, 16 mths				July 2017 - Oct 2018 16mths														
		1,200,000				3,000 Per Mth														

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ARUESD Bond Measure I - Del Terra PM Services
Detail Fee Schedule by Phase, by Proration
As of May 26, 2017 v6

Project Name	Estimated Prj Budget	PM Effort	PM Fee 4.0%	PM Fee Allocation			Total	Jan. 2017	Feb. 2017	Mar. 2017	Apr. 2017	May 2017	June 2017	July 2017	Aug. 2017	Sept. 2017	Oct. 2017	Nov. 2017	Dec. 2017
				60%	60%+30% = 90%	90%+10% = 100%													
				Planning Phase (60%)	Construction (30%)	Post-Const'n (10%)													
Re-roofing/ Re-siding George (Entire Site)	1,370,000	Jan 2018 - Oct 2018, 10mths	54,800	Jan 2018 - Oct 2018 10mths	5,480 Per Mth		54,800												
Upgrade/ Mitre Roof Repair: Fischer MS	455,500	Jan 2018 - Oct 2018, 10mths	18,260	Jan 2018 - Oct 2018 10mths	1,826 Per Mth		18,260												
Goss ES	333,450	Jan 2018 - Oct 2018, 10mths	13,338	Jan 2018 - Oct 2018 10mths	1,334 Per Mth		13,338												
Ryan ES	333,450	Jan 2018 - Oct 2018, 10mths	13,338	Jan 2018 - Oct 2018 10mths	1,334 Per Mth		13,338												
General Kitchen: TBD	5,600,000	TBD	200,000																
Emergency Generator: P.O. - IT Dept	300,000	TBD	12,000																
TOTAL Bond Measure T Projects	\$ 34,169,300		\$ 1,366,772	\$ 102,140	\$ 133,177	\$ 23,690	1,154,772	\$ -	\$ 51,535	\$ 51,535	\$ 51,535	\$ 51,535	\$ 39,690	\$ 75,824	\$ 75,824	\$ 68,784	\$ 59,174	\$ 52,134	\$ 52,134

NOTES
- Fee Schedule to be reviewed/updated Monthly for Changes to Contract Values, Project Timing and Project Assumptions

Project Name: Indicates PM Fee allocated 60% Planning, 30% Construction, 10% Close Out.

Project Name: Indicates PM Fee allocated on Straight-Line Basis over the overall Project Timeline. As Project eves to a confirmed Timeline, Project will go to phase.

7/23/17


ARJESD Bond Measure 1 - Del Terra PM Services
Detail Fee Schedule by Phase, by Proration
As of May 26, 2017 v6

Project Name	Estimated Proj Budget	PM Effort	PM Fee 4.0%	PM Fee Allocation					Total	Jan. 2018	Feb. 2018	Mar. 2018	Apr. 2018	May 2018	June 2018	July 2018	Aug. 2018	Sept. 2018	Oct. 2018	Nov. 2018	Dec. 2018	
				60%	Planning Phase (60%)	Construction (30%)	90%	Post-Const'n (10%)														
																						60%+30% = 90%+10% = 100%
Bond Measure T Projects (Brd Apprd Jan. 2017)																						
Hubbard K-8 Phase 2: New 9 Modular Classroom Bldgs	\$ 2,800,000	Feb 2017 - Oct 2017, 9 mths	\$ 112,000	Feb. 2017 - May 2017 4mths	June 2017 - Aug 2017 3mths	Sep 2017 - Oct 2017 2mths	67,200	33,600	11,200	\$ 112,000												
Hubbard K-8 Phase 2: Ext. Lunch Shelter	120,000	Feb 2017 - Oct 2017, 9 mths	4,800	Feb. 2017 - May 2017 4mths	June 2017 - Aug 2017 3mths	Sep 2017 - Oct 2017 2mths	2,880	1,440	480	\$ 4,800												
Re-Roofing/ Replacemnt LUCHA	329,000	Feb. 2017 - Sept 2017, 8 mths	13,160	Feb. 2017 - May 2017 4mths	June 2017 - Aug 2017 3mths	Sep 2017 - Oct 2017 1mth	7,896	3,948	1,316	13,160												
Re-Roofing/ Replacemnt Russo 2 Classroom Bldgs	384,000	Feb. 2017 - Sept 2017, 8 mths	15,360	Feb. 2017 - May 2017 4mths	June 2017 - Aug 2017 3mths	Sep 2017 - Oct 2017 1mth	9,216	4,608	1,536	15,360												
Upgrade/ Mico Roof Replacemnt Madison MS	654,500	Feb. 2017 - Sept 2017, 8 mths	26,180	Feb. 2017 - May 2017 4mths	June 2017 - Aug 2017 3mths	Sep 2017 - Oct 2017 1mth	15,708	7,854	2,618	26,180												
Refurbish Restrooms: Madison MS	600,000	Feb. 2017 - Sept 2017, 8 mths	24,000	Feb. 2017 - May 2017 4mths	June 2017 - Aug 2017 3mths	Sep 2017 - Oct 2017 1mth	14,400	7,200	2,400	24,000												
Re-Roof/ Replacemnt D.O. Mico Bldgs 800, 700, 500 & Covered Walkways	242,000	Feb. 2017 - Sept 2017, 8 mths	\$ 9,680	Feb. 2017 - May 2017 4mths	June 2017 - Aug 2017 3mths	Sep 2017 - Oct 2017 1mth	5,808	2,904	968	9,680												
KIPP Charter-Enlow Campus	793,000	Feb. 2017 - Sept 2017, 8 mths	\$ 31,720	Feb. 2017 - May 2017 4mths	June 2017 - Aug 2017 3mths	Sep 2017 - Oct 2017 1mth	19,032	9,516	3,172	31,720												
Madison Multi-Purpose Building: Modernization	6,000,000	Feb. 2017 - Apr 2018, 15mths	240,000	Feb 2017 - Apr 2018 15mths			16,000 Per Mth			\$ 240,000	Construction			Closeout			\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000		

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ARUESD Bond Measure I - Del Terra PM Services
Detail Fee Schedule by Phase, by Proration
As of May 26, 2017 v6

Project Name	Estimated Proj Budget	PM Effort	PM Fee 4.0%	PM Fee Allocation			Total	Jan. 2018	Feb. 2018	Mar. 2018	Apr. 2018	May 2018	June 2018	July 2018	Aug. 2018	Sept. 2018	Oct. 2018	Nov. 2018	Dec. 2018
				Planning Phase (60%)	Construction (30%)	Post-Const'n (10%)													
				60%	90%	90%+10% = 100%													
Mathison Multi-Purpose Bldg: Clean Up		May 2017 - June 2017 2mths																	
Mathison Multi-Purpose Bldg: Move In		Mar 2018 - Apr 2018 2mths								Construction									
HVAC Upgrade: Arbuclle ES		July 2017 - Oct 2018, 16 mths																	
	3,317,800			132,712	8,295 Per Mth		132,712	8,295	8,295	8,295	8,295	8,295	8,295	8,295	8,295	8,295	8,295	8,295	
McCullam ES		July 2017 - Oct 2018, 16 mths																	
	3,317,800			132,712	8,295 Per Mth		132,712	8,295	8,295	8,295	8,295	8,295	8,295	8,295	8,295	8,295	8,295	8,295	
Caretton ES		July 2017 - Oct 2018, 16 mths																	
	3,317,800			132,712	8,295 Per Mth		132,712	8,295	8,295	8,295	8,295	8,295	8,295	8,295	8,295	8,295	8,295	8,295	
Restroom DSA Mod.: Chavez ES		July 2017 - Oct 2018, 16 mths																	
	900,000			36,000	2,250 Per Mth		36,000	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	
Parking Expansion - New Drop off areas - Security Fencing - Additions ES		July 2017 - Oct 2018, 16 mths																	
	1,200,000			48,000	3,000 Per Mth		48,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	
Cassell ES		July 2017 - Oct 2018, 16 mths																	
	1,200,000			48,000	3,000 Per Mth		48,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	
Boyer ES		July 2017 - Oct 2018, 16 mths																	
	1,200,000			48,000	3,000 Per Mth		48,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	

As of May 26, 2017 v6

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ARUESD Bond Measure J - Del Terra PM Services
Detail Fee Schedule by Phase, by Proration
As of June 23, 2017 v3

Project Name		Estimated Proj Budget	PM Effort	6/23/17 PM Fee Balance \$460,175	PM Fee Allocation			Total	Jan. 2017	Feb. 2017	Mar. 2017	Apr. 2017	May 2017	June 2017	July 2017	Aug. 2017	Sept. 2017	Oct. 2017	Nov. 2017	Dec. 2017
					60%	60%+30% = 90%	90%+10% = 100%													
Bond Measure J funded, Measure J Continuation Projects (Brd Aprvd Jan. 2017)																				
Fischer MS: MPSCC		May 2017 - Dec. 2018, 20 mths			May 2017 - Dec 2018 20 mths															
	\$ 10,300,000		\$ 177,839		\$ 8,892 Per Mth	\$ 177,839							\$ 8,892	\$ 8,892	\$ 8,892	\$ 8,892	\$ 8,892	\$ 8,892	\$ 8,892	\$ 8,892
George MS: MPSCC		May 2017 - Dec. 2019, 32 mths			May 2017 - Dec 2019 32 mths															
	10,000,000		\$ 172,659		\$ 5,396 Per Mth	172,659							\$ 5,396	\$ 5,396	\$ 5,396	\$ 5,396	\$ 5,396	\$ 5,396	\$ 5,396	\$ 5,396
Dorsa ES: HVAC		May 2017 - Oct. 2017, 6 mths			May 2017 - June 2017 - Aug 2017 - Sept 2017 - Oct 2017 1mths 3mths 3mths 2mths															
	3,465,000		\$ 59,826		35,896 17,948 5,983	59,826							\$ 35,896	\$ 5,983	\$ 5,983	\$ 5,983	\$ 2,991	\$ 2,991		
LUCHA: HVAC		May 2017 - Oct. 2017, 6 mths			May 2017 - June 2017 - Aug 2017 - Sept 2017 - Oct 2017 1mths 3mths 3mths 2mths															
	2,887,200		\$ 49,850		29,910 14,955 4,985	49,850							\$ 29,910	\$ 4,985	\$ 4,985	\$ 4,985	\$ 2,493	\$ 2,493		
TOTAL Remaining Measure J Projects		\$ 26,652,200		\$ 460,175	\$ 276,105 \$ 138,053 \$ 46,018	\$ 460,175							\$ 80,094	\$ 25,255	\$ 25,255	\$ 25,255	\$ 19,771	\$ 19,771	\$ 14,288	\$ 14,288

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ARJESD Bond Measure J - Del Terra PM Services
Detail Fee Schedule by Phase, by Proration
As of June 23, 2017 v3

PM Fee Allocation																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														
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Planning Phase (60%)		Construction (30%)		Post-Const'n (10%)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																										
Estimated Proj Budget		PM Effort		6/23/17 PM Fee Balance \$460,175		Total																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								
Bond Measure J Funded, Measure J Continuation Projects (Brd Aprvd Jan. 2017)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														
Project Name		May 2017 - Dec. 2018, 20 mths	\$ 10,300,000	\$ 177,839	May 2017 - Dec 2018 20 mths										Construction										Closeout																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					
					\$	8,892	Per Mth	\$	8,892	\$	8,892	\$	8,892	\$	8,892	\$	8,892	\$	8,892	\$	8,892	\$	8,892	\$	8,892	\$	8,892																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			
Fischer MS: MPSCC	\$ 10,300,000	May 2017 - Dec. 2018, 20 mths	\$ 177,839		May 2017 - Dec 2019 32 mths										Planning/Design										Bid/ Bid Opening/ Contract Aprvl										Construction																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
					\$	5,396	Per Mth	\$	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		
Dorsa ES: HVAC	3,465,000	May 2017 - Oct. 2017, 6 mths	\$ 59,826		May 2017 - June 2017 - Sept 2017										May 2017 - June 2017 - Sept 2017																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																															
					May 2017 1mths	June 2017 3mths	Aug 2017 3mths	Oct 2017 2mths	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983	35,896	17,948	5,983

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ARUESD Bond Measure J - Del Terra PM Services
Detail Fee Schedule by Phase, by Proration
As of June 23, 2017 v3

Project Name	Estimated Proj Budget	PM Effort	6/23/17 PM Fee Balance \$460,175	PM Fee Allocation			Total	Jan. 2019	Feb. 2019	Mar. 2019	Apr. 2019	May 2019	June 2019	July 2019	Aug. 2019	Sept. 2019	Oct. 2019	Nov. 2019	Dec. 2019			
				60%	60%+30% = 90%	90%+10% = 100%																
				Planning Phase (60%)	Construction (30%)	Post-Const'n (10%)																
Bond Measure J funded, Measure J Continuation Projects (Brd Aprvd Jan. 2017)																						
Fischer MS: MPSCC		May 2017 - Dec. 2018, 20 mths		May 2017 - Dec 2018 20 mths																		
	\$ 10,300,000	20 mths	\$ 177,839		\$	8,892	Per Mth	\$ 177,839														
George MS: MPSCC		May 2017 - Dec. 2019, 32 mths		May 2017 - Dec 2019 32 mths				Construction												Closeout		
	10,000,000	32 mths	\$ 172,659		\$	5,396	Per Mth	172,659	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396	5,396			
Dorsa ES: HVAC		May 2017 - Oct. 2017, 6 mths		May 2017 - June 2017 - Aug 2017 - Sept 2017 - Oct 2017 1mths 3mths 3mths 2mths 2mths																		
	3,465,000	6 mths	\$ 59,826		35,896	17,948	5,983	59,826														
LUCHA: HVAC		May 2017 - Oct. 2017, 6 mths		May 2017 - June 2017 - Aug 2017 - Sept 2017 - Oct 2017 1mths 3mths 3mths 2mths 2mths																		
	2,887,200	6 mths	\$ 49,850		29,910	14,955	4,985	49,850														
TOTAL Remaining Measure J Projects																						
				\$ 276,105	\$ 138,053	\$ 46,018		\$ 460,175	\$ 5,396	\$ 5,396	\$ 5,396	\$ 5,396	\$ 5,396	\$ 5,396	\$ 5,396	\$ 5,396	\$ 5,396	\$ 5,396	\$ 5,396			

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PM Fee Allocation		
50%	50%+30% = 90%	90%+10% = 100%
Planning Phase (50%)	Construction (30%)	Post-Const'n (10%)

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ARUESD Bond Measure I - Del Terra PM Services
Detail Fee Schedule by Phase, by Proration
As of Sept 7, 2017 v7

Project Name	Estimated Proj Budget	PM Effort	PM Fee 4.0%	PM Fee Allocation				Total	Jan. 2017	Feb. 2017	Mar. 2017	Apr. 2017	May 2017	June 2017	July 2017	Aug. 2017	Sept. 2017	Oct. 2017	Nov. 2017	Dec. 2017
				60%	90%	60%+30% = 90%	100% = 100%													
				Planning Phase (60%)	Construction (30%)	Post-Const'n (10%)														
Matheson Multi-Purpose Bldg: Modernization	6,000,000	Feb 2017 - July 2018, 18mths	240,000	Feb 2017 - July 2018 18mths				\$ 240,000												
				\$16k to \$13,333 per Mth																
Matheson Multi-Purpose Bldg: Clean Up		Oct 2017 - Nov 2017 2mths		Oct 2017 - Nov 2017 2mths																
Matheson Multi-Purpose Bldg: Move In		Mar 2018 - Apr 2018 2 mths		Mar 2018 - Apr 2018 2mths																
HVAC Upgrade: Artistic ES	3,317,800	Sept 2017 - Oct 2018, 14 mths	132,712	Sept 2017 - Oct 2018 14mths				132,712												
				9,479 Per Mth																
MacCollum ES	3,317,800	Sept 2017 - Oct 2018, 14 mths	132,712	Sept 2017 - Oct 2018 14mths				132,712												
				9,479 Per Mth																
Curtison ES	3,317,800	Sept 2017 - Oct 2018, 14 mths	132,712	Sept 2017 - Oct 2018 14mths				132,712												
				9,479 Per Mth																
Bedroom DSA Mod. Chavez ES	900,000	Oct 2017 - Oct 2018, 13 mths	36,000	Oct 2017 - Oct 2018 13mths				36,000												
				2,769 Per Mth																
Parking Expansion - New Drop off area - Security Fencing - Adelle ES	1,200,000	Oct 2017 - Oct 2018, 13 mths	48,000	Oct 2017 - Oct 2018 13mths				48,000												
				3,692 Per Mth																
Caswell ES	1,200,000	Oct 2017 - Oct 2018, 13 mths	48,000	Oct 2017 - Oct 2018 13mths				48,000												
				3,692 Per Mth																

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ARJESD Bond Measure I - Del Terra PM Services
Detail Fee Schedule by Phase, by Proration
As of Sept 7, 2017 v7

Project Name	Estimated Proj Budget	PM Effort	PM Fee 4.0%	PM Fee Allocation			Total	Jan. 2017	Feb. 2017	Mar. 2017	Apr. 2017	May 2017	June 2017	July 2017	Aug. 2017	Sept. 2017	Oct. 2017	Nov. 2017	Dec. 2017
				60%	60%+30% = 90%	90%+10% = 100%													
				Planning Phase (60%)	Construction (30%)	Post-Const'n (10%)													
Meyer ES	1,200,000	Oct 2017 - Oct 2018, 13 mths	48,000	Oct 2017 - Oct. 2018 13mths	3,692	Per Mth	48,000												
Re-Roofing/ Replcmt: George MS (Entire Site)	1,370,000	Jan 2018 - Oct 2018, 10mths	54,800	Jan 2018 - Oct. 2018 10mths	5,480	Per Mth	54,800												
Upgraded Mize Roof Replcmt: Fischer MS	456,500	Jan 2018 - Oct 2018, 10mths	18,260	Jan 2018 - Oct. 2018 10mths	1,826	Per Mth	18,260												
Groes ES	333,450	Jan 2018 - Oct 2018, 10mths	13,338	Jan 2018 - Oct. 2018 10mths	1,334	Per Mth	13,338												
Ryan ES	333,450	Jan 2018 - Oct 2018, 10mths	13,338	Jan 2018 - Oct. 2018 10mths	1,334	Per Mth	13,338												
Central Kitchen: TBD	5,000,000	TBD	200,000																
Emergency Generator: D.O. - IT Dept	300,000	TBD	12,000																
TOTAL Bond Measure 'I' Projects	\$ 34,169,300		\$ 1,366,772	\$ 142,140	\$ 123,328	\$ 23,690	1,154,772	\$ -	\$ 51,535	\$ 51,535	\$ 51,535	\$ 51,535	\$ 39,690	\$ 23,690	\$ 37,023	\$ 58,422	\$ 62,658	\$ 55,618	\$ 55,618

NOTES

- Fee Schedule to be reviewed/updated Monthly for Changes to Contract Values, Project Timing and Project Assignments.
 Project Name: Indicates PM Fee allocated 60% Planning, 30% Construction, 10% Close Out.

Project Name: Indicates PM Fee allocated on Straight-Line Basis over the overall Project Timeline. As Project evas to a confirmed Timeline, Project will go to phase.

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ARUESD Bond Measure I - Del Terra PM Services
Detail Fee Schedule by Phase, by Proration
As of Sept 7, 2017 v7

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Project Name	Estimated Proj Budget	PM Effort	PM Fee 4.0%	PM Fee Allocation			Total	Bond Measure "I" Projects (Brd Aprvd Jan. 2017)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														
				Planning Phase (60%)	Construction (30%)	Post-Const'n (10%)		Jan. 2018	Feb. 2018	Mar. 2018	Apr. 2018	May 2018	June 2018	July 2018	Aug. 2018	Sept. 2018	Oct. 2018	Nov. 2018	Dec. 2018																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			
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ARUESD Bond Measure I - Del Terra PM Services
Detail Fee Schedule by Phase, by Proration
As of Sept 7, 2017 v7

Project Name	Estimated Pri Budget	PM Effort	PM Fee 4.0%	PM Fee Allocation			Total	Jan. 2018	Feb. 2018	Mar. 2018	Apr. 2018	May 2018	June 2018	July 2018	Aug. 2018	Sept. 2018	Oct. 2018	Nov. 2018	Dec. 2018
				Planning Phase (60%)	Construction (30%)	Post-Const'n (10%)													
Matheson Multi-Purpose Building: Modernization	5,000,000	Feb. 2017 - July 2018, 18mths	240,000	Feb 2017 - July 2018 18mths															
				\$16k to \$13,333 per Mth															
Matheson Multi-Purpose Bldg: Clean Up		Oct 2017 - Nov 2017 2mths		Oct 2017 - Nov 2017 2mths															
Matheson Multi-Purpose Bldg: Move In		Mar 2018 - Apr 2018, 2 mths		Mar 2018 - Apr 2018 2mths															
HWAC Upgrade: Arbutus ES	3,317,800	Sept 2017 - Oct 2018, 14 mths	132,712	Sept 2017 - Oct. 2018 14mths															
				9.479 Per Mth															
McCollum ES	3,317,800	Sept 2017 - Oct 2018, 14 mths	132,712	Sept 2017 - Oct. 2018 14mths															
				9.479 Per Mth															
Quinton ES	3,317,800	Sept 2017 - Oct 2018, 14 mths	132,712	Sept 2017 - Oct. 2018 14mths															
				9.479 Per Mth															
Residence DSA Mod.: Chavez ES	900,000	Oct 2017 - Oct 2018, 13 mths	36,000	Oct 2017 - Oct. 2018 13mths															
				2,769 Per Mth															
Parking Expansion - New Drop off areas - Security Fencing: Adeline ES	1,200,000	Oct 2017 - Oct 2018, 13 mths	48,000	Oct 2017 - Oct. 2018 13mths															
				3,692 Per Mth															
Cassell ES	1,200,000	Oct 2017 - Oct 2018, 13 mths	48,000	Oct 2017 - Oct. 2018 13mths															
				3,692 Per Mth															

As of Sept 7, 2017 v7

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ARUESD Bond Measure I - Del Terra PM Services
Detail Fee Schedule by Phase, by Proration
As of Sept 7, 2017 v7

Project Name	Estimated Proj Budget	PM Effort	PM Fee 4.0%	PM Fee Allocation			Total	Jan. 2018	Feb. 2018	Mar. 2018	Apr. 2018	May 2018	June 2018	July 2018	Aug. 2018	Sept. 2018	Oct. 2018	Nov. 2018	Dec. 2018
				Planning Phase (60%)	Construction (30%)	Post-Const'n (10%)													
Meyer EE	1,200,000	Oct 2017 - Oct 2018, 13 mths	48,000	Oct 2017 - Oct. 2018 13mths	3,692 Per Mth		48,000	\$ 3,692	\$ 3,692	\$ 3,692	\$ 3,692	\$ 3,692	\$ 3,692	\$ 3,692	\$ 3,692	\$ 3,692	\$ 3,692		
Re-Roofing/ Replicant: George (Entire Site)	1,370,000	Jan 2018 - Oct 2018, 10mths	54,800	Jan 2018 - Oct. 2018 10mths	5,480 Per Mth		54,800	Planning/ Design	Bid/ Bid Opening/ Contract Aprvl										
Upgrader/ Misc Road Repairs: Fraser MS	456,500	Jan 2018 - Oct 2018, 10mths	18,260	Jan 2018 - Oct. 2018 10mths	1,826 Per Mth		18,260	Planning/ Design	Bid/ Bid Opening/ Contract Aprvl										
Gowal EE	333,450	Jan 2018 - Oct 2018, 10mths	13,338	Jan 2018 - Oct. 2018 10mths	1,334 Per Mth		13,338	Planning/ Design	Bid/ Bid Opening/ Contract Aprvl										
Agan EE	333,450	Jan 2018 - Oct 2018, 10mths	13,338	Jan 2018 - Oct. 2018 10mths	1,334 Per Mth		13,338	Planning/ Design	Bid/ Bid Opening/ Contract Aprvl										
Central Washers: TBD	5,000,000	TBD	200,000																
Emergency Generation: D.O. - IT Dept	300,000	TBD	12,000																
TOTAL Bond Measure 'I' Projects	\$ 34,169,300		\$ 1,366,772	\$ 142,140	\$ 123,328	\$ 23,690	1,154,772	\$ 65,591	\$ 65,591	\$ 65,591	\$ 65,591	\$ 65,591	\$ 65,591	\$ 65,591	\$ 65,591	\$ 65,591	\$ 65,591	\$ 65,591	\$ 65,591

NOTES
- Fee Schedule to be reviewed/updated Monthly for Changes to Contract Values, Project Timing and Project Assign
- Fee Schedule indicates PM Fee allocated 60% Planning, 30% Construction, 10% Close Out.

Project Name: Indicates PM Fee allocated on Straight-Line Basis over the overall Project Timeline. As Project evo

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ATTACHMENT #3





Crowe Horwath LLP
Independent Member Crowe Horwath International
400 Capitol Mall, Suite 1400
Sacramento, California 95814-4488
Tel 916.441.1000
Fax 916.441.1110
www.crowehorwath.com

June 16, 2017

Mr. Kolvira Chheng
Chief Business Officer
Alum Rock Union Elementary School District
2930 Gay Avenue
San Jose, California 95127

Dear Mr. Chheng:

This letter confirms the arrangements for Crowe Horwath LLP ("Crowe" or "us" or "we" or "our") to apply agreed-upon procedures, as discussed in attachment A, in connection with the expenditures of Measure J General Obligation Bond funds of Alum Rock Union Elementary School District (the "District" or "you" or "your" or "Client") from information you provide for the year ended June 30, 2017, and six-month periods ended December 31, 2017, June 30, 2018, December 31, 2018, June 30, 2019, December 31, 2019 and June 30, 2020, from information you provide. The attached Crowe Engagement Terms is an integral part of this letter, and its terms are incorporated herein.

The agreed-upon procedures will be performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of management of the District.

Because these procedures will not constitute an examination or review in accordance with standards established by the American Institute of Certified Public Accountants, we will not express an opinion or conclusion on the expenditures of Measure J General Obligation Bonds. We have no obligation to perform any procedures beyond those listed in Attachment A. If we were to perform additional procedures, other matters might come to our attention that would be reported to you. It is understood that we will prepare a report reflecting our findings of the procedures outlined in attachment A for use by you, management of the District, for Measure J. We make no representations as to the adequacy of these procedures for your purpose.

If you decide that additional procedures are needed, we will discuss those with you. It is customary for us to document such revisions, either by memo or by an addendum to this letter. If you wish to add specified users of the report, we will require that they acknowledge in writing their responsibility for the sufficiency of these procedures.

The agreed-upon procedures do not contemplate obtaining the understanding of internal control or assessing control risk, tests of accounting records and responses to inquiries by obtaining corroborating evidential matter, and certain other procedures ordinarily performed during an examination. Thus, this engagement does not provide assurance that we will become aware of significant matters that would be disclosed in an examination. Our engagement cannot be relied upon to disclose errors, fraud, or illegal acts that may exist. However, we will inform you of any significant errors that may come to our attention. Our engagement will not enable us to address legal or regulatory matters or abuses of management discretion, which matters should be discussed by you with your legal counsel. You are also responsible for the accuracy and completeness of the information provided to Crowe for purposes of this engagement and for timely updating such information. Because of the importance of such information to our engagement, you agree to release Crowe and its personnel from any liability and costs relating to our

services under this engagement attributable to the inaccuracy or incompleteness of information provided to us for purposes of this engagement.

Our procedures and work product are intended for the benefit and use of management of the District for Measure J. This engagement will not be planned or conducted in contemplation of reliance by any other party or with respect to any specific transaction and is not intended to benefit or influence any other party. Therefore, items of possible interest to a third party may not be specifically addressed or matters may exist that could be assessed differently by a third party. The working papers for this engagement are the property of Crowe and constitute confidential information.

Although the actual language of our report may change as a result of our procedures, we presently expect our report on the agreed-upon procedures to read as follows:

We have performed the procedures listed in Attachment A, which were agreed to by management of Alum Rock Union Elementary School District (the "District") on evaluating disbursements of Measure J bond funds for the year ended June 30, 2017, and six-month periods ended December 31, 2017, June 30, 2018, December 31, 2018, June 30, 2019, December 31, 2019 and June 30, 2020. The District's management is responsible for disbursement of Measure J bond funds for the year ended June 30, 2017, and six-month periods ended December 31, 2017, June 30, 2018, December 31, 2018, June 30, 2019, December 31, 2019 and June 30, 2020. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures enumerated in Attachment A either for the purpose for which this report has been requested or for any other purpose.

The procedures that we performed and our findings are included in Attachment A.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on evaluating disbursements of bond funds for the year ended June 30, 2017, and six-month periods ended December 31, 2017, June 30, 2018, December 31, 2018, June 30, 2019, December 31, 2019 and June 30, 2020. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management of Alum Rock Union Elementary School District and is not intended to be, and should not be, used by anyone other than these specified parties.

If, for any reason, we are unable to complete the agreed-upon procedures, we will not issue a report as a result of this engagement.

FEES

We will invoice you for our services on a periodic basis as services are rendered and for out-of-pocket expenses as they are incurred. Our invoices are due and payable upon receipt. Bills that are not paid within 30 days of receipt are subject to a monthly interest charge of one percent per month or the highest interest rate allowed by law, whichever is less, which we may elect to waive at our sole discretion, plus costs of collection including reasonable attorneys' fees. If any amounts invoiced remain unpaid 30 days after the invoice date, you agree that Crowe may, in its sole discretion, cease work until all such amounts are paid or terminate this engagement.

Our professional fees for these services, exclusive of out-of-pocket expenses will not exceed:

Year ending June 30, 2017	\$	18,000
Six-month period ending December 31, 2017	\$	9,000
Six-month period ending June 30, 2018	\$	9,000
Six-month period ending December 31, 2018	\$	9,000
Six-month period ending June 30, 2019	\$	9,000
Six-month period ending December 31, 2019	\$	9,000
Six-month period ending June 30, 2020	\$	9,000

MISCELLANEOUS

For purposes of this Miscellaneous section, the Acceptance section below, and all of the Crowe Engagement Terms, "Client" will mean the entity(ies) defined in the first paragraph of this letter and will also include all related parents, subsidiaries, and affiliates of Client who may receive or claim reliance upon any Report.

This engagement letter agreement (the "Agreement") reflects the entire agreement between the parties relating to the services (or any reports, deliverables or other work product) covered by this Agreement. The engagement letter and any attachments (including without limitation the attached Crowe Engagement Terms) are to be construed as a single document, with the provisions of each section applicable throughout. This Agreement may not be amended or varied except by a written document signed by each party. It replaces and supersedes any other proposals, correspondence, agreements and understandings, whether written or oral, relating to the services covered by this letter, and each party agrees that in entering this Agreement, it has not relied on any oral or written representations, statements or other information not contained in or incorporated into this Agreement. Any non-disclosure or other confidentiality agreement is replaced and superseded by this Agreement. The agreements of the parties contained in this Agreement will survive the completion or termination of this Agreement. If any provision (in whole or in part) of this Agreement is found unenforceable or invalid, this will not affect the remainder of the provision or any other provisions in this Agreement, all of which will continue in effect as if the stricken portion had not been included. This Agreement may be executed in two or more actual, scanned, emailed, or electronically copied counterparts, each and all of which together are one and the same instrument. Accurate transmitted copies (transmitted copies are reproduced documents that are sent via mail, delivery, scanning, email, photocopy, facsimile or other process) of the executed Agreement or signature pages only (whether handwritten or electronic signature), will be considered and accepted by each party as documents equivalent to original documents and will be deemed valid, binding and enforceable by and against all parties. This Agreement must be construed, governed, and interpreted under the laws of the State of Illinois, without regard for choice of law principles.

We are pleased to have this opportunity to serve you, and we look forward to a continuing relationship. If the terms of this letter and the attached Crowe Engagement Terms are acceptable to you, please sign below and return one copy of this letter at your earliest convenience. Please contact us with any questions or concerns.

(Signature Page follows)

Mr. Kolvira Chheng
Alum Rock Union Elementary School District
June 16, 2017
Page 4

ACCEPTANCE

I have reviewed the arrangements outlined above and in the attached "Crowe Engagement Terms," and I accept on behalf of the Client the terms and conditions as stated. By signing below, I represent and warrant that I am authorized by Client to accept the terms and conditions as stated.

IN WITNESS WHEREOF, Alum Rock Union Elementary School District and Crowe have duly executed this engagement letter effective the date first written above.

Crowe Horwath LLP and the Engagement Authorized Signer below are licensed or otherwise authorized by the California Board of Accountancy.

ALUM ROCK UNION ELEMENTARY
SCHOOL DISTRICT

Kol S
Signature

Kolvira Chheng
Printed Name

CEO
Title

9/14/17
Date

CROWE HORWATH LLP

Matthew Nethaway
Signature

Matthew Nethaway
Printed Name

Partner
Title

June 16, 2017
Date

Crowe Engagement Terms

Crowe wants Client to understand the terms under which Crowe provides its services to Client and the basis under which Crowe determines its fees. These terms are part of the Agreement and apply to all services described in the Agreement as well as all other services provided to Client (collectively, the "Services"), unless and until a separate written agreement is executed by the parties for separate services. Any advice provided by Crowe is not intended to be, and is not, investment advice.

CLIENT'S ASSISTANCE – For Crowe to provide Services effectively and efficiently, Client agrees to provide Crowe timely with information requested and to make available to Crowe any personnel, systems, premises, records, or other information as reasonably requested by Crowe to perform the Services. Access to such personnel and information are key elements for Crowe's successful completion of Services and determination of fees. If for any reason this does not occur, a revised fee to reflect additional time or resources required by Crowe will be mutually agreed. Client agrees Crowe will have no responsibility for any delays related to a delay in providing such information to Crowe. Such information will be accurate and complete, and Client will inform Crowe of all significant tax, accounting and financial reporting matters of which Client is aware.

PROFESSIONAL STANDARDS – As a regulated professional services firm, Crowe must follow professional standards when applicable, including the Code of Professional Conduct of the American Institute of Certified Public Accountants ("AICPA"). Thus, if circumstances arise that, in Crowe's professional judgment, prevent it from completing the engagement, Crowe retains the right to take any course of action permitted by professional standards, including declining to express an opinion or issue other work product or terminating the engagement.

REPORTS – Any information, advice, recommendations or other content of any memoranda, reports, deliverables, work product, presentations, or other communications Crowe provides under this Agreement ("Reports"), other than Client's original information, are for Client's internal use only, consistent with the purpose of the Services. Client will not rely on any draft Report. Unless required by an audit or other attestation professional standard, Crowe will not be required to update any final Report for circumstances of which we become aware or events occurring after delivery.

CONFIDENTIALITY – Except as otherwise permitted by this Agreement or as agreed in writing, neither Crowe nor Client may disclose to third parties the contents of this Agreement or any information provided by or on behalf of the other that ought reasonably to be treated as confidential and/or proprietary. Client use of any Crowe work product will be limited to its stated purpose and to Client business use only. However, Client and Crowe each agree that either party may disclose such information to the extent that it: (i) is or becomes public other than through a breach of this Agreement, (ii) is subsequently received by the recipient from a third party who, to the recipient's knowledge, owes no obligation of confidentiality to the disclosing party with respect to that information, (iii) was known to the recipient at the time of disclosure or is thereafter created independently, (iv) is disclosed as necessary to enforce the recipient's rights under this Agreement, or (v) must be disclosed under applicable law, regulations, legal process or professional standards.

THIRD PARTY PROVIDER – Crowe may use a third-party provider in providing Services to Client, which may require Crowe to share Client confidential information with the provider. If Crowe uses a third-party provider, Crowe will enter into a confidentiality agreement with the provider to require the provider to protect the confidentiality of Client's confidential information, and Crowe will be responsible to Client for maintaining its confidentiality.

DATA PROTECTION – If Crowe holds or uses Client information that can be linked to specific individuals who are Client's customers ("Personal Data"), Crowe will treat it as confidential as described above and comply with applicable US state and federal law and professional regulations in disclosing or using such information to carry out the Services. Crowe has implemented and will maintain physical, electronic and procedural safeguards reasonably designed to (i) protect the security, confidentiality and integrity of the Personal Data, (ii) prevent unauthorized access to or use of the Personal Data, and (iii) provide proper disposal of the Personal Data (collectively, the "Safeguards"). Client warrants that it has the authority to provide the Personal Data to Crowe in connection with the Services and that Client has processed the Personal Data provided to Crowe in accordance with applicable law. To provide the Services, Client may also need to provide Crowe with access to Personal Data consisting of protected health information, financial account numbers, Social Security or other government-issued identification numbers, or other data

that, if disclosed without authorization, would trigger notification requirements under applicable law ("Restricted Personal Data"). In the event Client provides Crowe access to Restricted Personal Data, Client will consult with Crowe on appropriate measures (consistent with professional standards applicable to Crowe) to protect the Restricted Personal Data, such as: deleting or masking unnecessary information before making it available to Crowe, encrypting it when transferring it to Crowe, or providing it to Crowe only during on-site review on Client's site. Client will provide Crowe with Restricted Personal Data only in accordance with mutually agreed protective measures. Otherwise, Client and Crowe agree each may use unencrypted electronic media to correspond or transmit information and such use will not in itself constitute a breach of this Agreement.

INTELLECTUAL PROPERTY – Crowe may use ideas, concepts, methodologies, data, software, designs, utilities, tools, models, techniques, systems, Reports, or other know-how that it develops, owns or licenses ("Materials") in performing the Services. Crowe retains all intellectual property rights in the Materials (including any improvements or knowledge developed while performing the Services), and in any working papers compiled in providing the Services, but not in the Client information reflected in them. Upon payment for Services and subject to the other terms of this Agreement, Client will use Reports, as well as any Materials therein, only to the extent necessary and permitted under this Agreement.

AGGREGATED DATA – Client agrees Crowe may from time to time use and process Client's confidential information for data aggregation or industry benchmarking purposes. In using Client's confidential information in this way, Crowe will maintain the information as confidential unless Crowe removes data that specifically identifies Client and Client customers.

LEGAL AND REGULATORY CHANGE – Crowe may periodically communicate to Client changes in laws, rules or regulations. However, Client has not engaged Crowe, and Crowe does not undertake an obligation, to advise Client of changes in (a) laws, rules, regulations, industry or market conditions, or (b) Client's own business practices or other circumstances (except to the extent required by professional standards). The scope of Services and the fees for Services are based on current laws and regulations. If changes in laws or regulations change Client's requirements or the scope of the Services, Crowe's fees will be modified to a mutually agreed amount to reflect the changed level of Crowe's effort.

PUBLICATION – Client agrees to obtain Crowe's specific permission before using any Report or Crowe work product or Crowe's firm's name in a published document, and Client agrees to submit to Crowe copies of such documents to obtain Crowe's permission before they are filed or published.

CLIENT REFERENCE – From time to time Crowe is requested by prospective clients to provide references for Crowe service offerings. Client agrees that Crowe may use Client's name and generally describe the nature of Crowe's engagement(s) with Client in marketing to prospects, and Crowe may also provide prospects with contact information for Client personnel familiar with Crowe's Services.

NO PUNITIVE OR CONSEQUENTIAL DAMAGES – Any liability of Crowe will not include any consequential, special, incidental, indirect, punitive, or exemplary damages or loss, nor any lost profits, goodwill, savings, or business opportunity, even if Crowe had reason to know of the possibility of such damages.

LIMIT OF LIABILITY – Except where it is judicially determined that Crowe performed its Services with gross negligence or willful misconduct, Crowe's liability will not exceed fees paid by Client to Crowe for the portion of the work giving rise to liability. A claim for a return of fees paid is the exclusive remedy for any damages. This limit of liability will apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including, without limitation, to claims based on principles of contract, negligence or other tort, fiduciary duty, warranty, indemnity, statute or common law. This limit of liability will also apply after this Agreement.

INDEMNIFICATION FOR THIRD-PARTY CLAIMS – In the event of a legal proceeding or other claim brought against Crowe by a third party, except where it is judicially determined that Crowe performed Services with gross negligence or willful misconduct, Client agrees to indemnify and hold harmless Crowe and its personnel against all costs, fees, expenses, damages and liabilities, including attorney fees and any other fees or defense costs, associated with such third-party claim, relating to or arising from any Services performed or work product provided by Crowe that Client uses or discloses to others or this engagement generally. This indemnification is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim, liability, or damages asserted, including, without limitation, to claims, liability

or damages based on principles of contract, negligence or other tort, fiduciary duty, warranty, indemnity, statute or common law. This indemnification will also apply after termination of this Agreement.

NO TRANSFER OR ASSIGNMENT OF CLAIMS – No claim against Crowe, or any recovery from or against Crowe, may be sold, assigned or otherwise transferred, in whole or in part.

TIME LIMIT ON CLAIMS – In no event will any action against Crowe, arising from or relating to this engagement letter or the Services provided by Crowe relating to this engagement, be brought after the earlier of 1) two (2) years after the date on which occurred the act or omission alleged to have been the cause of the injury alleged; or 2) the expiration of the applicable statute of limitations or repose.

RESPONSE TO LEGAL PROCESS – If Crowe is requested by subpoena, request for information, or through some other legal process to produce documents or testimony pertaining to Client or Crowe's Services, and Crowe is not named as a party in the applicable proceeding, then Client will reimburse Crowe for its professional time, plus out-of-pocket expenses, as well as reasonable attorney fees, Crowe incurs in responding to such request.

MEDIATION – If a dispute arises, in whole or in part, out of or related to this engagement, or after the date of this agreement, between Client or any of Client's affiliates or principals and Crowe, and if the dispute cannot be settled through negotiation, Client and Crowe agree first to try, in good faith, to settle the dispute by mediation administered by the American Arbitration Association, under its mediation rules for professional accounting and related services disputes, before resorting to litigation or any other dispute-resolution procedure. The results of mediation will be binding only upon agreement of each party to be bound. Costs of any mediation will be shared equally by both parties. Any mediation will be held in Chicago, Illinois.

JURY TRIAL WAIVER – FOR ALL DISPUTES RELATING TO OR ARISING BETWEEN THE PARTIES, THE PARTIES AGREE TO WAIVE A TRIAL BY JURY TO FACILITATE JUDICIAL RESOLUTION AND TO SAVE TIME AND EXPENSE. EACH PARTY AGREES IT HAS HAD THE OPPORTUNITY TO HAVE ITS LEGAL COUNSEL REVIEW THIS WAIVER. THIS WAIVER IS IRREVOCABLE, MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND APPLIES TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, OR MODIFICATIONS TO THIS AGREEMENT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS WRITTEN CONSENT TO A BENCH TRIAL WITHOUT A JURY. HOWEVER, AND NOTWITHSTANDING THE FOREGOING, IF ANY COURT RULES OR FINDS THIS JURY TRIAL WAIVER TO BE UNENFORCEABLE AND INEFFECTIVE IN WAIVING A JURY, THEN ANY DISPUTE RELATING TO OR ARISING FROM THIS ENGAGEMENT OR THE PARTIES' RELATIONSHIP GENERALLY WILL BE RESOLVED BY ARBITRATION AS SET FORTH IN THE PARAGRAPH BELOW REGARDING "ARBITRATION."

ARBITRATION – If any court rules or finds that the JURY TRIAL WAIVER section is not enforceable, then any dispute between the parties relating to or arising from this Agreement or the parties' relationship generally will be settled by binding arbitration in Chicago, Illinois (or a location agreed in writing by the parties). Any issues concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of this Section, will be governed by the Federal Arbitration Act and resolved by the arbitrator(s). The arbitration will be governed by the Federal Arbitration Act and resolved by the arbitrator(s). The parties will use the International Institute for Conflict Prevention & Resolution (the "CPR Institute") Global Rules for Accelerated Commercial Arbitration (the "Accelerated Rules") then in effect, or such other rules or procedures as the parties may agree in writing. In the event of a conflict between those rules and this Agreement, this Agreement will control. The parties may alter each of these rules by written agreement. If a party has a basis for injunctive relief, this paragraph will not preclude a party seeking and obtaining injunctive relief in a court of proper jurisdiction. The parties will agree within a reasonable period of time after notice is made of initiating the arbitration process whether to use one or three arbitrators, and if the parties cannot agree within fifteen (15) business days, the parties will use a single arbitrator. In any event the arbitrator(s) must be retired federal judges or attorneys with at least 15 years commercial law experience and no arbitrator may be appointed unless he or she has agreed to these procedures. If the parties cannot agree upon arbitrator(s) within an additional fifteen (15) business days, the arbitrator(s) will be selected by the CPR Institute. Discovery will be permitted only as authorized by the arbitrator(s), and as a rule, the arbitrator(s) will not permit discovery except upon a showing of substantial need by a party. To the extent the arbitrator(s) permit discovery as to liability, the arbitrator(s) will also permit discovery as to causation, reliance, and damages. The arbitrator(s) will not permit a party to take more than six depositions, and no depositions may exceed five hours. The arbitrator(s) will have no power

to make an award inconsistent with this Agreement. The arbitrator(s) will rule on a summary basis where possible, including without limitation on a motion to dismiss basis or on a summary judgment basis. The arbitrator(s) may enter such prehearing orders as may be appropriate to ensure a fair hearing. The hearing will be held within one year of the initiation of arbitration, or less, and the hearing must be held on continuous business days until concluded. The hearing must be concluded within ten (10) business days absent written agreement by the parties to the contrary. The time limits in this section are not jurisdictional. The arbitrator(s) will apply substantive law and may award injunctive relief or any other remedy available from a judge. The arbitrator(s) may award attorney fees and costs to the prevailing party, and in the event of a split or partial award, the arbitrator(s) may award costs or attorney fees in an equitable manner. Any award by the arbitrator(s) will be accompanied by a reasoned opinion describing the basis of the award. Any prior agreement regarding arbitration entered by the parties is replaced and superseded by this agreement. The arbitration will be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq., and judgment upon the award rendered by the arbitrator(s) may be entered by any court having jurisdiction thereof. All aspects of the arbitration will be treated by the parties and the arbitrator(s) as confidential.

NOTIFICATION OF NON-LICENSEE OWNERSHIP – Crowe ("the Firm") and certain owners of the Firm are licensed by the California State Board of Accountancy. However, the Firm has owners not licensed by the California State Board of Accountancy who may provide Services under this agreement. If Client has any questions regarding licensure of the personnel performing Services under this engagement, please do not hesitate to contact Crowe.

NON-SOLICITATION – Client and Crowe acknowledge the importance of retaining key personnel. Accordingly, both parties agree that during the period of this agreement, and for one (1) year after its expiration or termination, neither party will solicit any personnel or subcontractors (if any) of the other party for employment without the written consent of the other party. If an individual becomes an employee of the other party, the other party agrees to pay a fee equal to the individual's compensation for the prior full twelve-month period to the original employer.

AFFILIATES – Crowe Horwath LLP is an independent member of Crowe Horwath International, a Swiss Verein. Each member firm of Crowe Horwath International is a separate and independent legal entity. Crowe Horwath LLP and its affiliates are not responsible or liable for any acts or omissions of Crowe Horwath International or any other member of Crowe Horwath International and specifically disclaim any and all responsibility or liability for acts or omissions of Crowe Horwath International or any other member of Crowe Horwath International. Crowe Horwath International does not render any professional services and does not have an ownership or partnership interest in Crowe Horwath LLP. Crowe Horwath International and its other member firms are not responsible or liable for any acts or omissions of Crowe Horwath LLP and specifically disclaim any and all responsibility or liability for acts or omissions of Crowe Horwath LLP.

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT
MEASURE J GENERAL OBLIGATION BONDS AUP PROCEDURES

- Recalculate the mathematical accuracy of the List of Measure J bond expenditures.
- Select 10% of the number of change orders or a maximum of 25 change orders to determine compliance with Public Contract Code related to bid requirements and District policy for change orders:
 - Through inquiry, document change order procedures to ensure they are in compliance with applicable Board policy and Public Contract Code (accuracy of designation, accuracy of change order amount, proper approval).
- Select 10% of the number of expenditures or a maximum of 25 bond expenditures:
 - Determine if individual contract award agrees to total project expenditures by agreeing expenditures to contract award.
 - Determine if expenditures are described in the project budget by tracing the expenditure to the project budget.
 - Determine if expenditures are consistent with specific projects listed in the ballot language by inspecting supporting documentation and comparing to the specific projects listed in the ballot language.
 - Verify that rates charged by professional service organizations through their billings were consistent with their contracted rates by comparing billings to contracts.
- Internal Controls over Facilities Procurements:
 - Inquire of management and District personnel to determine if any deficiencies in design of internal control environment related to payment processing and use of purchase orders in the procurement process.
- Special Interest Items:
 - Through inquiry of management, document management's plan for soliciting and monitoring the participation of local firms and workers in District projects.

ATTACHMENT #4





ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

2930 Gay Avenue, San José, CA 95127 · Phone: 408-928-6800 · Fax: 408-928-6416 · www.arusd.org

October 12, 2017

To: Board of Trustees

From: Kolvira Chheng, Assistant Superintendent of Business Services

Re: Item #7.02 – Legal Services Update

The District is in the process of seeking RFP/Q for legal services with the goal of having the Board of Trustees making a final decision at its December Board meeting. The scope of services will include, but not limited to the following items:

1. Human Resources
2. General Education Law
3. Facilities Services
4. Special Education
5. Business and Procurement Services – Contract Support
6. Governmental Relations

The following schedule shows the dates in the RFP/Q process and is included to give a general idea of the proposal selection time frame.

<u>Event</u>	<u>Date</u>
RFP/Q Issued	Friday, October 20, 2017
Deadline for submitting questions	Friday, November 3, 2017
Proposal Due Date	Wednesday, November 8, 2017
Proposal Evaluation and Interviews of Selected Candidates (if necessary)	November 15-17, 2017
Board Meeting	December 14, 2017

Hilaria Bauer, Ph.D., Superintendent

Board of Trustees: Esau Ruiz Herrera, President · Andrés Quintero, Vice-President
Dolores Márquez-Frausto, Clerk · Khanh Tran, Member · Karen Martinez, Member

ATTACHMENT #5



ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT

2930 Gay Avenue, San José, CA 95127

Phone: 408-928-6800

Fax: 408-928-6416

www.arusd.org

2017 – 2018 CITIZEN'S BOND OVERSIGHT COMMITTEE (CBOC)

Raymond Mueller (Chair)	PTA/SSC/Parent
Frank Chavez	Senior Citizen Group
Alison Cingolani	PTA/SSC/Parent
Minh Pham	Taxpayer's Organization
Pamela Gudino	Community-at-Large
Gustavo Gonzalez	Business Representative
Sandra Pinal	Community-at-Large

ATTACHMENT #6

ALUM ROCK UNION ELEMENTARY SCHOOL DISTRICT INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE

ARTICLE I

Name

The name of this Committee shall be Citizens' Bond Oversight Committee - Measures J & I (the CBOC).

ARTICLE II

Definitions

Section 1. Terms.

The following terms are defined in order to avoid the use of needlessly repetitive language, to provide clarity in understanding, and to address differences in terms that may be used in the parliamentary authority.

- A. **District.** Alum Rock Union Elementary School District.
- B. **Board.** Board means the governing board of the district.
- C. **Chair.** Chair means the presider at meetings. The term Chair is equivalent to the term president when used in the parliamentary authority.
- D. **Code.** Code means the Strict Accountability in Local School Construction Bonds Act of 2000 as codified in sections 15264 through 15288 of the California Education Code, unless a different statute is explicitly stated.
- E. **Committee.** Committee means the collective body of Members authorized to provide public oversight.
- F. **Findings.** Findings mean the determinations of the Committee with respect to facts within its jurisdiction or related to its operation.
- G. **The CBOC.** Citizens' Bond Oversight Committee
- H. **Measure(s).** Measure means the question and full text of the ordinance(s) that the voters approved at the election(s).
- I. **Member.** Member means an individual appointed by the Board who meets the eligibility requirements. The term Member is equivalent to the term Voting Member, unless a different meaning is required by the context.
- J. **Prop 39.** Prop 39 means the full text of the proposition that amended the California constitution in November 2000. Most often Prop 39 refers to the amendment as it pertains to Article XIII-A.
- K. **Resolution.** Resolution means the findings and action of the Board that placed the Measure on the ballot.

- L. **Year.** Year means the same period adopted by the Board for the annual audits required by Prop 39. (July 1 - June 30)

ARTICLE III

Object

The purpose of the Committee is to inform the public concerning the expenditure of bond revenues authorized by the Measure. The Committee is authorized by and governed by the Code to this purpose. The methods to achieve this goal are outlined in this document.

Establishment

- The Alum Rock Union Elementary School District (the "District") was successful at the election conducted on June 3, 2008 (the "2008 Election") in obtaining authorization from the District's voters to issue up to \$179,000,000 aggregate principal amount of the District's school facilities bond ("Measure G"). A Bond Oversight Committee for Measure G has been established (the "Measure G Committee"). This measure was closed out and replaced by Measure I in 2016.
- The District was successful at the election conducted on November 6, 2012 (the "2012 Election") in obtaining authorization from the District's voters to issue up to \$125,000,000 aggregate principal amount of the District's school facilities bond ("Measure J").
- The District was successful at the election conducted on June 7, 2016 (the "2016 Election") in obtaining authorization from the District's voters to issue up to \$139,999,671.60 aggregate principal amount of the District's school facilities bond ("Measure I"). This bond was put forth to replace the unsold balance of Measure G.
- Measure J and Measure I are hereinafter referred to as the "Measures," and the 2012 Election and the 2016 Election are referred to as the "Elections." The Elections were conducted under Proposition 39, being chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, at Section 15264 et seq. of the Education Code of the State ("Prop 39"). Pursuant to Section 15278 of the Education Code, the District is obligated to establish an Independent Citizens' Bond Oversight Committee for Measure J in order to satisfy the accountability requirements of Prop 39.
- Pursuant to action by the governing board of the District, the Independent Citizens' Bond Oversight Committee previously established for Measure G & J shall be reconstituted as a new Committee (the "Committee") which shall have the duties and rights set forth in these Bylaws with oversight responsibility for the Measures J & I.

ARTICLE IV

Members

Section 1. Maximum Membership. The Board established the Committee as seven Members. No maximum is set.

Section 2. Membership Eligibility and Admission Procedure. The Code governs membership categories (15282(a)) and eligibility (15282(b)). The Code has thus preempted the field with respect to the district. There is only one class of membership. The Board appoints Members to a category or at-large. A Member may not fill the role of more than one category.

Section 3: Orientation. The Committee wishes to review the process that the Board provides to orient Members who are appointed for the first time. The Committee wishes the Board to provide an independent orientation delivered by an unbiased provider at the district's expense.

Section 4. Resignation from Membership. A Member wishing to resign from the Committee shall submit the resignation in writing to the Secretary, who shall present it to the Committee for action. A resignation shall be effective when accepted by the Committee at a meeting.

Section 5. Vacancy. The Board is required to fill vacancies. If a change in circumstances occurs with respect to a Member's eligibility in connection with one of the five statutory categories, a vacancy exists until the Board fills the vacancy. The Committee shall make Findings if vacancies are not filled in a reasonable and timely manner.

Section 6. Member Roster. Applications for appointment to the district submitted to the district are public records. The Committee wishes to receive applications as they are received by the district. The Committee shall publish and post its roster in a manner that provides the public direct access to Members by e-mail, by telephone, and by postal mail. A Member may request in writing any or all contact information to be withheld from the roster. The roster shall include the statutory category and date of each Board appointment.

Section 7. Ethics. In addition to the statutory mandate of Code 15282(b), Members may not use membership on the Committee for the personal or political benefit of themselves, an individual, a group, a cause, or an issue without the express consent of the Committee. If any ethics issues arise, the Chair will request counsel of the CBOC independent counsel. If warranted, the committee secretary may ask the board to to remove the member.

Section 8. Meeting Attendance. Members are expected to attend every regular meeting. If a Member is absent from more than half of the regular meetings scheduled in a Year or if a Member is absent from three consecutive regular meetings at any time after appointment, the Secretary shall request the Board to remove the Member for dereliction of duty.

ARTICLE V

Officers

Section 1. Officers and Duties. The Officers shall be a Chair, a Vice Chair, and a Secretary. The Officers shall have all powers and perform all duties prescribed by these bylaws and by the parliamentary authority. The Officers may not delegate their powers or duties to others.

Section 2. Nomination Procedure, Time of Elections. Members may nominate themselves. A second to a nomination is not necessary. The Committee shall elect Officers at its first regular meeting and at its last regular meeting of each Year. The Committee may fill a vacant office at any meeting when it is on the agenda.

Section 3. Ballot Election, Term of Office, Removal from Office. The Officers shall be elected by paper ballot to serve for one Year or until their successors are elected. The term of office shall begin at the close of the regular meeting at which the election takes place, except in the case of filling a vacancy, when the term shall begin upon election. The Members may remove Officers from office at their pleasure as prescribed by the parliamentary authority.

Section 4. Office-Holding Limitations. A Member may not hold more than one office at a time. A Member should not serve more than three consecutive Years in the same office. A partial Year of more than seven months counts as a Year.

Section 5. Resignation from Office; Vacancy. An Officer wishing to resign from the Committee shall submit a resignation in writing to the Secretary, who shall present it to the Committee for action. An Officer may resign an office without resigning as a Member. A resignation shall be effective when accepted by the Committee at a meeting.

Section 6. Additional Powers and Duties. In addition to the powers and duties set out in Section 1, the Officers shall have the powers or duties designated in this section.

A. Chair

- a. **Spokesperson.** The Chair is the sole representative and spokesperson of the Committee between meetings.
- b. **Ad Hoc Subcommittees.** The Chair has the power to establish ad hoc subcommittees with a specific charge. An ad hoc subcommittee terminates automatically, if it has failed to report for ninety days, unless its term is extended by the Committee.
- c. **Appointments.** The Chair has the power to appoint the chair and members of standing or ad hoc subcommittees. When special or in-depth knowledge is helpful to carry out the charge of a subcommittee, the Chair may appoint individuals who are not Members as advisors to the subcommittee.

B. Vice Chair

- a. **Liaison.** The Vice Chair shall act as the Committee's liaison with designated district employees or agents to effectuate the work of the Committee in its oversight role, to clarify documents received by the Committee, to coordinate site inspections, to coordinate attendance at meetings by district employees or agents, to coordinate the

placement of Committee documents on the web site, to coordinate the dissemination of Committee reports, and to coordinate other matters as directed by the Committee.

- b. Audit Subcommittee. The Vice Chair shall Chair the Audit Subcommittee and shall coordinate with the designated district employee and the auditor with respect to the two required annual audits.

C. Secretary

- c. Member Roster. The Secretary shall maintain the roster.
- d. Attendance. The Secretary shall maintain an up-to-date meeting attendance record of Members.
- e. Draft Minutes. The Secretary shall prepare, and circulate to the Members and for public posting, coordinate with district support to insure minutes are drafted no later than ten days after the adjournment of a meeting, and sent to all members.

ARTICLE VI

Public Meetings

Section 1. Open Meetings. Meetings are governed by the California Open Meeting Act, also known as the Ralph M. Brown Act, these bylaws, and the parliamentary authority, in that order of precedence.

Section 2. Regular Meetings. The Committee shall hold regular meetings in accordance with a schedule as the Committee may adopt or alter from time to time. In the absence of a schedule, the Chair shall designate the date, time, and location of regular meetings.

Section 3. Special Meetings. Special meetings may be called as provided in the Ralph M. Brown Act.

The purpose of a special meeting shall be stated in the call to meeting.

Section 4. Quorum. A majority of the entire voting membership, inclusive of vacancies, of the Committee shall constitute a quorum.

Section 5. Agenda. The standard order of business is adopted. A Member may request the Secretary to place an item on the agenda for a future meeting. An Officer may request the Secretary to place an item on the agenda as a special or general order. The Secretary shall place items under the appropriate heading on the agenda that is publicly posted.

Section 6. Method of Notice, Time of Notice. The Chair or the Secretary shall send a reminder notice, along with a request for agenda items, not later than seven days before a meeting. Notice sent by electronic mail shall be sufficient for all purposes.

Section 7. Public and Public Comment. Meetings are open to the public. The public are all attendees who are not Members. Public comment at meetings is limited to five minutes per individual for general comment and five minutes per individual for the subject matter of each agenda item. The Committee, by majority vote, may extend the time limit for comment. The Committee may adopt a standing rule to limit the total time allocated to public comment.

Section 8. Voting and Actions. All actions taken by the Committee shall be by a majority vote of a quorum of Members present and voting. Roll call votes are not required unless required by the

Open Meeting Act or in accordance with the parliamentary authority.

ARTICLE VII

Public Records

Section 1. Public Records Act. Communications from or to a Member may be subject to public records law regardless of whether the communications pass through private accounts or devices. The Committee shall establish procedures to ensure that communications that can be readily determined to be public records are preserved. The Committee adopts the same retention rules as the Board has adopted for the district to the extent that those rules are applicable.

Section 2. Requests for Records. The Committee wishes the district to provide it, at the earliest reasonable time, with any requests for records that the district receives that relate to committee business and that may be in the control of a Member.

ARTICLE VIII

Document Review

Section 1. Scope. In order to review prospective expenditures, documents such as communications, memoranda, proposed agreements, or executed agreements are within the scope of the Committee's jurisdiction. The Committee shall establish the nature of the information pertaining to its jurisdiction that it wishes the district to provide. The Committee shall make Findings as to the manner, frequency, and adequacy of information delivered to it by the district.

Section 2. Timing of Information. In order to carry out its review authority and to protect the public's statutory remedies, the Committee wishes to receive and review information about prospective expenditures enough time in advance so as both to review the prospective expenditures and to inform the public, if the Committee finds the latter appropriate. The Committee shall make Findings as to the performance of the district in supplying the information in a timely manner.

Section 3. Expenditure Format and Detail. The Committee wishes to receive and review expenditure detail in the form of a spreadsheet or other common data format file, such as CSV, in addition to any other form in which the district may wish to present it. The Committee wishes to receive and review expenditure detail with a view toward simplicity and minimizing expense, such as that used in a checkbook reconciliation -- beginning balance, money in, money out, and ending balance along with payor or payee, transaction date, a description of the reason, and an account code for categorization. With experience, the Committee may establish a lower level of detail of expenditures.

ARTICLE IX

Reports

Section 1. Number of Reports. The Code requires the Committee to report to the public no less than once in each Year. The Committee may combine periodic reports into a single annual report.

Section 2. Dissemination of Reports. The Committee shall make Findings as to the manner, frequency, and adequacy of reporting that the Board is willing to underwrite. The Committee shall prominently feature these Findings in every report.

Section 3. Content of Reports. The Committee shall limit its reports to the areas over which it has jurisdiction. Committee reports may not be combined with or in any other way include publicity,

status, or other informational or promotional material. The Committee prohibits the Board, the district, and its agents from disseminating, in any manner, opinions or characterizations of reports without the following disclaimer:

"This is an opinion or characterization of the author and is not an endorsement by the ARUSD Citizens' Bond Oversight Committee."

The Committee shall make Findings with respect to any violations of this section.

Section 4. Notices in Reports. The Committee shall include in each report a request for the public to provide information, either publicly or confidentially, about knowledge of expenditures or practices with respect to matters over which the Committee has jurisdiction.

Section 5. Confidentiality. The Committee shall establish a procedure by which the public may provide it information in the nature of facts or tips in confidence. The Committee may use a closed session to receive confidential information.

Section 6. Appointment Process. The Committee shall make Findings about procedures, policies, and rules, or lack thereof, that the Board employs in the appointment of Members to the Committee. If the Board uses an application form, the Committee shall make Findings about the efficacy of the application, about the appropriateness of the information collected, and about the tenor or potential bias of statements on the application. The Committee shall make Findings about any criteria used in the procedures, policies, rules, or application that exceed the eligibility requirements specified in the Code or that tend to undercut the independence of the appointees.

Section 7. Whenever these bylaws specify Findings, a report shall include the most recent such Finding of its type.

ARTICLE X

Web Site

Section 1. Web Address. The Committee wishes the district to provide an Internet address for the Committee's site that is not subject to change and the is easily communicated. Such an address might be a subdomain of the district's primary web site. The preferred subdomain name is cboc, for example, cboc.dixonusd.org.

Section 2. Site Organization. The Committee wishes the district to provide a site that is used exclusively for the Committee's content and does not include content originated by the district, excepting navigational controls. The Committee wishes the district to provide an organizational framework that is easy to understand and capable of expanding over time. Once a link is established for individual site content, the Committee expects that the link will not be subject to change due to district web site reorganization.

Section 3. Web Content. The Committee wishes the district to update the site in a timely manner. The Committee wishes that the district will not alter, censor, or otherwise prevent the Committee's timely communications via the site.

Section 4. Findings. The Committee shall make Findings with respect to the adequacy, timeliness, ease of use, and technical support in connection with the Committee's site.

ARTICLE XI

Subcommittees

Section 1. General. The Committee may establish one or more subcommittees, each with a specific charge, to carry out the work of the Committee. The term "subcommittee" is used to distinguish it from the Committee itself. It means the same as the term "standing committee" in the parliamentary authority. The number of Members appointed to a subcommittee shall be no fewer than two and no more than one less than a majority of the entire voting membership. As distinguished from the parliamentary authority, a subcommittee's term is one Year.

Section 2. Audit Subcommittee. The Chair shall appoint this subcommittee no later than thirty days after the beginning of the Year. This subcommittee shall prepare or modify and then execute a plan to review the annual financial audit and the annual performance audit. This subcommittee shall recommend Findings and report to the Committee with respect to its review of the audit and the audit process within sixty days after the Committee receives the audits.

Section 3. Reports Subcommittee. The Chair shall appoint this subcommittee no later than thirty days after the beginning of the Year. At intervals to be determined by the Committee, this subcommittee shall recommend Findings and report to the Committee with respect to the review of the expenditures of bond revenues during each interval.

ARTICLE XII

Standing Rules

When the parliamentary authority is inadequate or silent on a matter of procedure, the Committee may adopt standing rules by a majority vote of a quorum of Members present and voting. A standing rule may override the parliamentary authority, but may not override these bylaws or an authority of higher precedence.

ARTICLE XIII

Parliamentary Authority

The procedure shall be determined by majority vote of the the committee at the meeting when officer elections occur. Those rules shall govern the Committee in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rules of order the Committee may adopt.

Suggested Options:

1. The rules contained in the current edition of Robert's Rules of Order Newly Revised
2. Rosenberg's Rules of Order

ARTICLE XIV

Amendment of Bylaws

These bylaws may be amended at any regular meeting of the Committee by a two-thirds vote, provided that the amendment has been submitted in writing at the previous regular meeting.

Revision History: Original from Dixon USD CBOC 2017

Submitted for Board Approval: October 12, 2017

ATTACHMENT #7

		5 Year Capital Outlay Expenditure Report					
		2013-14	2014-15	2015-16	2016-17		2017-18
		Actuals	Actuals	Actuals	Actuals		Projection
		FD 03,05,06,08	FD 03,05,06,08	FD 03,05,06,08	FD 03	FD 06	FD 03
CAPITAL OUTLAY		128,162	516,750	1,368,872	2,429,054		455,219
SITE IMPROVEMENT OF	6170				5,126		
BUILDING & IMPROVEMENT OF	6200				40,000	1,548,015	40,000
ARCHITECT FEES	6210					26,725	
ARCHITECT REIMBURSABLES	6210					1,176	
INSPECTION	6290					30,650	
RELOCATABLE CONSTRUCTION	6273				84,000		
EQUIPMENT	6400				145,833	135,551	104,000
FOOD SERVICE EQUIPMENT	6430				20,031		
PUPIL TRANSPORTATION EQUI	6440				130,298		126,219
EQUIPMENT REPLACEMENT	6500				188,205	73,445	185,000

Fiscal Year 2015-16 Detailed Capital Outlay Expenditure Report				
ORG KEY	ACCOUNT	VENDOR	DESCRIPTION	EXPENDITURES
030501945X - LCAP MIDDLE SCH REDESIGN	6275	17403 DEL TERRA	B P AUG11-SEPI 1,2015	1,510.00
030501945X - LCAP MIDDLE SCH REDESIGN	6275	17403 DEL TERRA	MATHSON M.S. LIBRARY/LAB	2,265.00
030501945X - LCAP MIDDLE SCH REDESIGN	6200	21996 ADVANCED RESTORA	SUPPLEMENTAL-INV#2	3,770.00
030501945X - LCAP MIDDLE SCH REDESIGN	6200	21996 ADVANCED RESTORA	*****SERVICE CONTRACT***	37,762.83
0325019450 - LCAP MIDDLE SCH REDESIGN	6400		CC CAP OUTLAY	7,514.48
0326019450 - LCAP MIDDLE SCH REDESIGN	6400		CC MIDDLE SCH REDESIGN	24,924.00
0336019400 - SUPPL/CONCENTRATION	6400		CC MIDDLE SCH REDESIGN	(24,924.00)
0336019400 - SUPPL/CONCENTRATION	6400		CRCTN 20150246	(4,810.69)
0336019400 - SUPPL/CONCENTRATION	6400		CC LGFF/LCAP	4,810.69
0336019400 - SUPPL/CONCENTRATION	6400	15667 KLEIN EDUCATIONA	2" FOCUS LENS	20,113.31
034307270X - PURCHASING	6170	21652 EVERLAST BUILDER	*****SERVICE CONTRACT	16,650.00
034307270X - PURCHASING	6200		HR FLOORING	23,330.00
034307270X - PURCHASING	6170		DO QUAD INV 1603701	29,481.30
0345019440 - LCAP FACILITIES	6200		FAC084 CARPET INST	(16,700.00)
0345019440 - LCAP FACILITIES	6275	17403 DEL TERRA	CONSTRUCTION MANAGEMENT S	(1,957.59)
0345019440 - LCAP FACILITIES	6275	17403 DEL TERRA	BOYS & GIRLS @SHOWER	(1,305.04)
0345019440 - LCAP FACILITIES	6275	17403 DEL TERRA	BOYS & GIRLS @SHOWER	1,305.04
0345019440 - LCAP FACILITIES	6275	17403 DEL TERRA	B P NOV 1-30, 2015	1,305.04
0345019440 - LCAP FACILITIES	6275		C1516216 DELTERRA_CHAVEZ	1,580.00
0345019440 - LCAP FACILITIES	6275	17403 DEL TERRA	CONSTRUCTION MANAGEMENT S	1,957.56
0345019440 - LCAP FACILITIES	6275	17403 DEL TERRA	CONSTRUCTION MANAGEMENT S	1,957.56
0345019440 - LCAP FACILITIES	6275	17403 DEL TERRA	PCMS CHAVEZ NOV 2015	2,602.33
0345019440 - LCAP FACILITIES	6275	17403 DEL TERRA	PCMS CHAVEZ NOV 2015	3,903.50
0345019440 - LCAP FACILITIES	6200	21996 ADVANCED RESTORA	*****CONTRACT ADJUSTMENT**	5,803.78
0345019440 - LCAP FACILITIES	6200	21996 ADVANCED RESTORA	*****SERVICE CONTRACT***	5,925.45
0345019440 - LCAP FACILITIES	6200	12256 KAL GLASS INC.	*****SERVICE CONTRACT***	6,528.60
0345019440 - LCAP FACILITIES	6200		HARRY L MURPHY	7,320.00
0345019440 - LCAP FACILITIES	6170		C1516200 EVERLAST_CHAVEZ	15,800.00
0345019440 - LCAP FACILITIES	6200		HARRY L. MURPHY	16,700.00
0345019440 - LCAP FACILITIES	6200		HARRY L. MURPHY	18,980.00
0345019440 - LCAP FACILITIES	6170		CPD/G CORR C1516201	22,128.00
0345019440 - LCAP FACILITIES	6200		HARRY L MURPHY	30,385.00
0345019440 - LCAP FACILITIES	6200	21996 ADVANCED RESTORA	*****SERVICE CONTRACT***	53,329.05
034508152X - EMERGENCY	6200		MATHSON FIRE TRANSFER	(547,501.88)
034508152X - EMERGENCY	6210		MATHSON FIRE TRANSFER	(16,525.00)
034508152X - EMERGENCY	6200		MATHSON FIRE TRANSFER	(5,250.00)
034508152X - EMERGENCY	6211		MATHSON FIRE TRANSFER	(173.49)
034508152X - EMERGENCY	6211	18752 SUGIMURA FINNEY	MATHSON FIRE REIMBURS	173.49
034508152X - EMERGENCY	6210	18752 SUGIMURA FINNEY	MATHSON FIRE DAMAGE	812.50
034508152X - EMERGENCY	6210	18752 SUGIMURA FINNEY	MATHSON FIRE DAMAGE	2,437.50
034508152X - EMERGENCY	6210	18752 SUGIMURA FINNEY	MATHSON FIRE DAMAGE	3,900.00
034508152X - EMERGENCY	6220	10593 DSA OAKLAND REGI	FIRE RECONSTR. BLDG D	6,250.00
034508152X - EMERGENCY	6210	18752 SUGIMURA FINNEY	MATHSON FIRE DAMAGE	11,375.00
034508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH		22,754.00
034508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	*****SERVICE CONTRACT**	84,000.00
034508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	*****SERVICE CONTRACT**	83,854.68
034508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	*****SERVICE CONTRACT**	185,965.54
034508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	*****SERVICE CONTRACT**	190,927.48
034601954W - LCAP TECHNOLOGY	6400		20160780	3,697.70
034601954W - LCAP TECHNOLOGY	6400	22133 QUEST MEDIA & SU	*****SERVICE CONTRACT**	10,185.86
034601954W - LCAP TECHNOLOGY	6400	22133 QUEST MEDIA & SU	*****SERVICE CONTRACT**	10,243.14
034601954W - LCAP TECHNOLOGY	6400	22133 QUEST MEDIA & SU	*****SERVICE CONTRACT**	15,851.22
034601954W - LCAP TECHNOLOGY	6400		20160590	22,550.00
034601954W - LCAP TECHNOLOGY	6400	22133 QUEST MEDIA & SU	*****SERVICE CONTRACT**	45,000.00
034601954W - LCAP TECHNOLOGY	6400	22163 INTERVISION SYST	*****SERVICE CONTRACT****	48,382.50
034601954W - LCAP TECHNOLOGY	6400		CC CAP OUTLAY	90,512.00
034607900W - TECHNOLOGY SERVICES	6400		20160590	(22,550.00)
034607900W - TECHNOLOGY SERVICES	6400		TRANSFER IT FUNDS 6400	(5,645.04)
034607900W - TECHNOLOGY SERVICES	6400		20160780	(3,697.70)
034607900W - TECHNOLOGY SERVICES	6400	20633 HITECHTRONIC INC	REPLACEMENT MAIN BOARD JP	(742.75)
034607900W - TECHNOLOGY SERVICES	6400	20633 HITECHTRONIC INC	SERVICE - UNIT NEEDS MAIN	(175.00)
034607900W - TECHNOLOGY SERVICES	6400	15737 CDW LLC	OTTERBOX DEFENDER F/S6 BL	33.38
034607900W - TECHNOLOGY SERVICES	6400	20633 HITECHTRONIC INC	SERVICE - UNIT NEEDS MAIN	175.00
034607900W - TECHNOLOGY SERVICES	6400	20633 HITECHTRONIC INC	SERVICE - UNIT NEEDS MAIN	175.00
034607900W - TECHNOLOGY SERVICES	6400	15737 CDW LLC	OTTERBOX DEFENDER F/S6 BL	300.28
034607900W - TECHNOLOGY SERVICES	6400	20633 HITECHTRONIC INC	REPLACEMENT MAIN BOARD JP	742.75
034607900W - TECHNOLOGY SERVICES	6400	20633 HITECHTRONIC INC	REPLACEMENT MAIN BOARD JP	742.75
034607900W - TECHNOLOGY SERVICES	6400	15737 CDW LLC	OTTERBOX COMMUTER F/GALAX	794.98
034607900W - TECHNOLOGY SERVICES	6400	15737 CDW LLC	APC 1YR ON SITE WTY EXTEN	2,650.00
034607900W - TECHNOLOGY SERVICES	6400	12063 HEWLETT PACKARD	HP LAPTOP CART NETBOOK36-	3,698.69
034607900W - TECHNOLOGY SERVICES	6400	15737 CDW LLC	APC MOD BATT REPL SVC 4 X	7,000.00
034607900W - TECHNOLOGY SERVICES	6400	15737 CDW LLC	APC MODULAR UPS REVITALIZ	12,900.00
034607900W - TECHNOLOGY SERVICES	6500	22133 QUEST MEDIA & SU	*****SERVICE CONTRACT**	175,000.00
0347032700 - TRANSPORTATION	6440	21478 WELLS FARGO EQUI	CUST#0010437724	51,587.51
0638018220 - MEDI-CAL REIMBURSEMENT	6400		TRC CORRECTIONS	(815.00)
0638018220 - MEDI-CAL REIMBURSEMENT	6400		TRC CORRECTIONS	74.65
0638018220 - MEDI-CAL REIMBURSEMENT	6400		CC CAP OUTLAY	8,965.81
064508152X - EMERGENCY	6211		MATHSON FIRE TRANSFER	173.49
064508152X - EMERGENCY	6220		MATHSON FIRE TRANSFER	6,280.00
064508152X - EMERGENCY	6210		MATHSON FIRE TRANSFER	16,525.00
064508152X - EMERGENCY	6200		MATHSON FIRE TRANSFER	547,501.86
0645081560 - ERP-WILLIAMS CASE	6170		C1516201	(22,128.00)
0645081560 - ERP-WILLIAMS CASE	6170		C1516200	(15,800.00)
0645081560 - ERP-WILLIAMS CASE	6275		C1516216	(1,580.00)
0645081560 - ERP-WILLIAMS CASE	6275	17403 DEL TERRA	CONSTRUCTION MANAGEMENT S	(948.00)
0645081560 - ERP-WILLIAMS CASE	6275	17403 DEL TERRA	CHAVEZ CONCRETE REPL	(832.00)
0645081560 - ERP-WILLIAMS CASE	6275	17403 DEL TERRA	CHAVEZ CONCRETE REPL	632.00
0645081560 - ERP-WILLIAMS CASE	6275	17403 DEL TERRA	B P OCT 1-30, 2015	632.00
0645081560 - ERP-WILLIAMS CASE	6275	17403 DEL TERRA	CONSTRUCTION MANAGEMENT S	948.00
0645081560 - ERP-WILLIAMS CASE	6275	17403 DEL TERRA	CONSTRUCTION MANAGEMENT S	948.00
0645081560 - ERP-WILLIAMS CASE	6170	21652 EVERLAST BUILDER	*****SERVICE CONTRACT***	15,800.00
0645081560 - ERP-WILLIAMS CASE	6170	21652 EVERLAST BUILDER	*****SERVICE CONTRACT***	22,128.00
Total				1,368,871.69
Mathson Fire				571,450.47
Equipment Replacement				175,000.00
Net				622,421.22

Fiscal Year 2016-17 Detailed Capital Outlay Expenditure Report

ORG KEY	ACCOUNT	VENDOR	DESCRIPTION	EXPENDITURES
0301019400 - SUPPL/CONCENTRATION	6400		PO20170844CAP ASSET	16,508.25
0306019400 - SUPPL/CONCENTRATION	6400		PO20172986CAP ASSET	9,171.88
0315019400 - SUPPL/CONCENTRATION	6400		PO20173024CAP ASSET	18,343.75
0326019400 - SUPPL/CONCENTRATION	6400		COD'G CRTN-CAP ASSET	9,207.13
0326019400 - SUPPL/CONCENTRATION	6400		PO20173413CAP ASSET	18,414.26
034307270X - PURCHASING	6170		16-17 SET-UP EVERLAST	1,850.00
034307270X - PURCHASING	6170	18742 GUERRA CONSTRUCT	**ROLLOVER BALANCE FOR FY	3,275.70
0345019440 - LCAP FACILITIES	6430	17598 EAST BAY RESTAUR	TRAULSEN FREEZERS MODEL N	10,015.28
0345019440 - LCAP FACILITIES	6430	17598 EAST BAY RESTAUR	TRAULSEN FREEZERS MODEL N	10,015.28
0345081380 - FACILITIES OPERATION	6400	22269 TCF NATIONAL BAN	DOCUMENT FEE (ONE TIME PA	250.00
0345081380 - FACILITIES OPERATION	6400	22269 TCF EQUIPMENT FI	*****LEASE/PURCHASE CONT	315.37
0345081380 - FACILITIES OPERATION	6400	22269 TCF NATIONAL BAN	PO ADJUSTMENT TO INCREASE	315.37
0345081380 - FACILITIES OPERATION	6400	22269 TCF NATIONAL BAN	0080697405300	2,494.01
0345081380 - FACILITIES OPERATION	6400	22269 TCF NATIONAL BAN	IN SEPTEMBER PAID \$2,744.	4,761.90
0345081380 - FACILITIES OPERATION	6400	22269 TCF NATIONAL BAN	*****LEASE/PURCHASE CONT	9,773.73
0345081380 - FACILITIES OPERATION	6400	22269 TCF NATIONAL BAN	*****LEASE/PURCHASE CONT	12,356.99
0345081380 - FACILITIES OPERATION	6200	18261 CRAIG PALERMO IN	*****SERVICE CONTRACT***	40,000.00
034508152X - EMERGENCY	6200		COD'G CORR - HAR-BRO	(685,044.06)
034508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	*****SERVICE CONTRACT****	34,252.27
034508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	MATHSON	71,647.84
034508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	*****SERVICE CONTRACT****	244,383.59
034508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	MATHSON	334,760.36
0345087000 - FACILITIES-RENTAL	6273		1ST INTERIM - TRC ADJ	(84,000.00)
0345087000 - FACILITIES-RENTAL	6273		MOVE TO DEF MAINT	(84,000.00)
0345087000 - FACILITIES-RENTAL	6273	21652 EVERLAST BUILDER	ALPHA PORTABLE 01 PRJ	84,000.00
0345087000 - FACILITIES-RENTAL	6273		RV JE 20161158	84,000.00
034508700X - FACILITIES-RENTAL -M	6273		1ST INTERIM - TRC ADJ	84,000.00
034607900W - TECHNOLOGY SERVICES	6500	22256 DIMENSION DATA N	*****SERVICE CONTRACT****	12,687.23
034607900W - TECHNOLOGY SERVICES	6500	22256 DIMENSION DATA N	*****SERVICE CONTRACT****	23,636.36
034607900W - TECHNOLOGY SERVICES	6400	22133 QUEST MEDIA & SU	*****ROLL OVER SERVICE CO	43,920.00
034607900W - TECHNOLOGY SERVICES	6500	22256 DIMENSION DATA N	*****SERVICE CONTRACT****	151,881.39
0347032700 - TRANSPORTATION	6440	21478 WELLS FARGO FINA	ADVANCE PAYMENT	(29,548.04)
0347032700 - TRANSPORTATION	6440	21478 WELLS FARGO FINA	DOCUMENTATION FEE	(750.00)
0347032700 - TRANSPORTATION	6440	21478 WELLS FARGO EQUI	PROCESSING DOCUMENT FEE F	750.00
0347032700 - TRANSPORTATION	6440	21478 WELLS FARGO FINA	DOCUMENTATION FEE	750.00
0347032700 - TRANSPORTATION	6440	21478 WELLS FARGO FINA	DOCUMENTATION FEE	750.00
0347032700 - TRANSPORTATION	6440	21478 WELLS FARGO EQUI	LATE CHARGES 02/20/16	2,579.38
0347032700 - TRANSPORTATION	6440	21478 WELLS FARGO FINA	ADVANCE PAYMENT	29,548.04
0347032700 - TRANSPORTATION	6440	21478 WELLS FARGO FINA	ADVANCE PAYMENT	29,548.04
0347032700 - TRANSPORTATION	6440	21478 WELLS FARGO EQUI	*****LEASE AGREEMENT****	45,083.00
0347032700 - TRANSPORTATION	6440	21478 WELLS FARGO EQUI	*****SERVICE CONTRACT****	51,587.51
0360077000 - HUMAN RESOURCES	6445		HR ADJ	(32,960.00)
0360077000 - HUMAN RESOURCES	6445		CORRECTION PO20170590	(5,000.00)
0360077000 - HUMAN RESOURCES	6445	22250 FRONTLINE TECHNO	20170590	5,000.00
0360077000 - HUMAN RESOURCES	6445	22250 FRONTLINE TECHNO	SUBSCRIPTION/SOFTWARE FOR	32,960.00
0606011900 - IASA-TITLE I	6400	17118 AUDIO DYNAMIX, I	EZ PRO SOUND SYSTEM PACKA	6,421.69
0615011900 - IASA-TITLE I	6400		PO20171880CAP ASSET	17,399.00
0620011900 - IASA-TITLE I	6400		PO20170333CAP ASSET	13,120.97
0620011900 - IASA-TITLE I	6400		PO20173382CAP ASSET	33,565.00
0624011900 - IASA-TITLE I	6400		PO20171626CAP ASSET	9,985.30
0625011900 - IASA - TITLE I	6400		PO20173418CAP ASSET	9,232.80
0625011900 - IASA - TITLE I	6400		PO20173416CAP ASSET	9,232.80
0626011900 - IASA - TITLE I	6400		PO2017173408CAP ASSET	9,207.13
0626011900 - IASA - TITLE I	6400		PO20173407CAP ASSET	18,457.95

0629511900 - IASA - TITLE I	6400		PO20171726CAP ASSET	8,928.40
0645081520 - EMERGENCY	6200		TRC-CORRECTION	(47,826.25)
0645081520 - EMERGENCY	6200		TRAN 6200 TO 4400	(47,826.25)
0645081520 - EMERGENCY	6200		REIM I.T LACAP	47,826.25
0645081520 - EMERGENCY	6200		20161096 CORR. HOLDING	47,826.25
064508152A - EMERGENCY	6500		ZSPACE	(73,445.21)
064508152A - EMERGENCY	6500		REVERSE JE 20161153	(73,445.21)
064508152A - EMERGENCY	6500		RECLASS ZSPACE EXP	73,445.21
064508152X - EMERGENCY	6500		RECLASS ZSPACE EXP	(73,445.21)
064508152X - EMERGENCY	6200		20161096 CORR. HOLDING	(47,826.25)
064508152X - EMERGENCY	6211	18752 SUGIMURA FINNEY	1/31/17 REIMBURSABLES	10.40
064508152X - EMERGENCY	6211	18752 SUGIMURA FINNEY	12/30/16REIMBURSABLES	12.88
064508152X - EMERGENCY	6211	18752 SUGIMURA FINNEY	**CONTRACT ADJUSTMENT - 0	64.45
064508152X - EMERGENCY	6500	21730 ZSPACE, INC.	ZVIEW SOFTWARE LICENSE -	67.67
064508152X - EMERGENCY	6211	18752 SUGIMURA FINNEY	MATHSON REIMBURSABLES	90.43
064508152X - EMERGENCY	6211	18752 SUGIMURA FINNEY	11/30/16REIMBURSABLES	107.88
064508152X - EMERGENCY	6211	18752 SUGIMURA FINNEY	REIMBURSABLES MATHSON	188.84
064508152X - EMERGENCY	6500	21730 ZSPACE, INC.	ZVIEW CAMERA AND AMATURE	216.41
064508152X - EMERGENCY	6211	18752 SUGIMURA FINNEY	THROUGH 6/22/17REIMB.	217.49
064508152X - EMERGENCY	6210	18752 SUGIMURA FINNEY	MATHSON RESTROOMS	250.00
064508152X - EMERGENCY	6211	18752 SUGIMURA FINNEY	9/30/16 REIMBURSABLES	484.03
064508152X - EMERGENCY	6500	21730 ZSPACE, INC.	6 LEADER EYEWEAR 12 FOLLO	598.13
064508152X - EMERGENCY	6210	18752 SUGIMURA FINNEY	12/30/16 MATHSON FIRE	812.50
064508152X - EMERGENCY	6210	18752 SUGIMURA FINNEY	THROUGH 6/22/17	1,000.00
064508152X - EMERGENCY	6290	21792 IRICK INSPECTION	*****SERVICE CONTRACT****	1,417.50
064508152X - EMERGENCY	6210	18752 SUGIMURA FINNEY	*****SERVICE ROLL OVER CO	1,625.00
064508152X - EMERGENCY	6290	21792 IRICK INSPECTION	****SERVICE ROLL OVER CO	2,300.00
064508152X - EMERGENCY	6210	18752 SUGIMURA FINNEY	11/30/16 MATHSON FIRE	2,437.50
064508152X - EMERGENCY	6210	18752 SUGIMURA FINNEY	MATHSON RESTROOMS	2,800.00
064508152X - EMERGENCY	6210	18752 SUGIMURA FINNEY	9/30/16MATHSONFIREDMG	2,800.00
064508152X - EMERGENCY	6200		HARBRO INV#11571-REV	3,951.52
064508152X - EMERGENCY	6500	21730 ZSPACE, INC.	ZSPACE STUDIO & LEOPOLY-P	4,350.00
064508152X - EMERGENCY	6290	21792 IRICK INSPECTION	*****SERVICE CONTRACT****	5,670.00
064508152X - EMERGENCY	6210	18752 SUGIMURA FINNEY	1/31/17MATHSONFIREDMG	6,500.00
064508152X - EMERGENCY	6290	21792 IRICK INSPECTION	*****SERVICE CONTRACT****	7,087.50
064508152X - EMERGENCY	6500	21730 ZSPACE, INC.	CYBER SCIENCE 3D SOFTWARE	8,400.00
064508152X - EMERGENCY	6500	21730 ZSPACE, INC.	ZSPACE'S NEWTON PARK, FRA	8,700.00
064508152X - EMERGENCY	6210	18752 SUGIMURA FINNEY	MATHSON RESTROOM	8,900.00
064508152X - EMERGENCY	6290	21792 IRICK INSPECTION	*****SERVICE CONTRACT****	14,175.00
064508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	****CONTRACT ADJUSTMENT**	16,609.75
064508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	*****CONTRACT ADJUSTMENT*	24,572.16
064508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	*****CONTRACT ADJUSTMENT**	37,747.45
064508152X - EMERGENCY	6200		TRC-CORRECTION	47,826.25
064508152X - EMERGENCY	6500	21730 ZSPACE, INC.	ZSPACE 300 ALL-IN-ONE SYS	51,113.00
064508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	****CONTRACT ADJUSTMENT**	53,064.76
064508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	*****CONTRACT ADJUSTMENT**	54,041.93
064508152X - EMERGENCY	6200		HARBRO-INV#11571	67,459.71
064508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	*****CONTRACT ADJUSTMENT*	69,938.90
064508152X - EMERGENCY	6500		ZSPACE	73,445.21
064508152X - EMERGENCY	6500		REVERSE JE 20161153	73,445.21
064508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	APP#10. NOV 2016	250,921.77
064508152X - EMERGENCY	6200	22156 HAR-BRO OF NORTH	****CONTRACT ADJUSTMENT**	284,662.94
064508152X - EMERGENCY	6200		COD'G CORR - HAR-BRO	685,044.06
Total				2,429,054.41
Mathson Fire				1,680,011.56
Equipment Replacement				188,204.98
Net				560,837.87

ATTACHMENT #8

CASH RECONCILIATION				
FOR MONTH ENDED: September 30, 2017				
Controller				
Balance:	September 30, 2017			25,069,322.23
Add:	Manual Adjustments in Process		(178,320.52)	
		Sub-Total		(178,320.52)
Adjusted Bank Balance:	September 30, 2017			24,891,001.71
BOOK				
Book Balance as of:	September 30, 2017			23,963,889.76
Add:	Bank Balances		3,057,366.20	
	Bank Adjustments			
	GL Adjustments			
		Sub-Total		3,057,366.20
Less:	Bank Adjustments		481,635.34	
	GL adjustments		1,648,618.91	
		Sub-Total		2,130,254.25
Current Book Balance:	September 30, 2017			24,891,001.71
APPROVED BY:	DATE APPROVED			
Efrain Robles	10/22/2017			
Senior Accountant				
Prepared by Maria Newton				

ALUM ROCK UNION SCHOOL DISTRICT
PRINT COMBINING BALANCE SHEET
ACCOUNTING PERIOD: 3/18
Fiscal Year: 17/18 September 2017
Ran Report on: DATE: 10/10/2017

FUND GROUP	ACCOUNT	ACCOUNT TITLE	DEBITS	CREDITS	NET
13 - OTHER RESTRICTED LOCAL	9110	CASH IN COUNTY TREAS	2800036.23	885135.61	\$ 1,914,900.62
14 - DEFERRED MAINTENANCE	9110	CASH IN COUNTY TREAS	230002.54	0	\$ 230,002.54
21 - MEASURE I	9110	CASH IN COUNTY TREAS	16012178.76	7658205.67	\$ 8,353,973.09
25 - CAPITAL FACILITIES	9110	CASH IN COUNTY TREAS	2330510.15	0	\$ 2,330,510.15
35 - COUNTY SCHOOL FACILITIES	9110	CASH IN COUNTY TREAS	7450224.26	0	\$ 7,450,224.26
40 - ERP - WILLIAMS CASE	9110	CASH IN COUNTY TREAS	2536410.98	0	\$ 2,536,410.98
53 - TAX OVERRIDE FUND	9110	CASH IN COUNTY TREAS	41603.91	0	\$ 41,603.91
67 - SELF INSURANCE FUND	9110	CASH IN COUNTY TREAS	0	344508.5	\$ (344,508.50)
68 - SELF INS FUND WORK COMP	9110	CASH IN COUNTY TREAS	791134.58	0	\$ 791,134.58
			\$ 32,192,101.41	\$ 8,887,849.78	

ATTACHMENT #9

**Alum Rock Union Elementary School District
Taxable Certificates of Participation**

	2010 COP
	Series A
Original Note	\$ 25,000,000
Net of Issuance Cost	20,885,500
Issued Date	June 2010
Maturity Date	June 1, 2026

Principal Repayments

2016-17	2,270,000
2017-18	2,270,000
2018-19	2,270,000
2019-20	2,270,000
2020-21	2,270,000
2021-22	2,275,000
2022-23	2,275,000
2023-24	2,275,000
2024-25	2,275,000
2025-26	4,550,000
Total Principal	25,000,000

Interest Payments

2016-17	1,367,500
2017-18	1,243,331
2018-19	1,119,162
2019-20	994,993
2020-21	870,824
2021-22	746,655
2022-23	622,213
2023-24	497,770
2024-25	373,328
2025-26	248,885
Total Interest	8,084,660

NOTE A

118,973
108,170
97,367
86,564
75,762
64,959
54,132
43,306
32,479
21,653

Total Amount	Sources of Funds
2,388,973	Fund 35
2,378,170	Fund 35
2,367,367	Fund 35
2,356,564	Fund 21 and Fund 35
2,345,762	Fund 21
2,339,959	Fund 21
2,329,132	Fund 21
2,318,306	Fund 21
2,307,479	Fund 21
4,571,653	Fund 21
25,703,365	

NOTE A: 8.7% decrease in federal subsidy. See US Bank letter dated May