

MINUTES – CITIZENS’ BOND OVERSIGHT COMMITTEE

Fresno Unified School District October 25, 2016

The purpose of the citizens’ oversight committee shall be to inform the public concerning the expenditure of bond revenues. (California Education Code)

Citizens’ Bond Oversight Committee (CBOC), Fresno Unified School District, Service Center, Huntington Conference Room, 4600 N. Brawley Avenue, Fresno, CA 93722

Attendance

At a regular meeting of the CBOC held on October 25, 2016, present were CBOC members William Clark, Michael Lopez, Bruce O’Neal, Dominic Papagni, Patricia Pointer, Chuck Riojas and Barbara Steck.

Not present were CBOC members Jose Mejia, Jamee Moltini, Guillermo Moreno, Michele Rodriguez and Dennis Zeuner.

Also present were Fresno Unified staff Alex Belanger, Debbi Dixon, Jeff Friesen, Ruth Perez and Karin Temple; and Arthur Ngo, Crowe Horwath.

1. CALL MEETING TO ORDER

Barbara Steck, Chair convened the meeting at 8:00 a.m.

2. WELCOME/INTRODUCTIONS/RECOGNITIONS

New member Bruce O’Neal was introduced.

3. APPROVE DRAFT MEETING MINUTES FOR August 30, 2016

Motion was made, seconded and carried unanimously to approve minutes for August 30, 2016

4. PRESENT AND DISCUSS PROJECT UPDATES

- Addicott Elementary – Campus Modernization
- Baird – Classroom Building
- Bullard High – Classroom Building, Library, Administration Office, Quad
- Duncan High CTE – Welding Lab
- Figarden Elementary – Classroom and Kinder/Preschool Building
- Robinson Elementary – Kinder/Preschool Building
- Slater – Classroom and Kinder/Preschool Building, Administration, and Site upgrades
- Turner Elementary – Classrooms and Administration Office

5. DISCUSS AND APPROVE MEASURE Q PROJECT/EXPENDITURE REPORT

- Total Measure Q obligated to date: \$213.1 million
- Total value of projects to date (including state funding): \$257.3 million
- Total impact to Measure Q: increase of \$1.5 million

Motion was made, seconded and carried unanimously to approve Measure Q Project/Expenditure Report dated October 2016

6. DISCUSS AND APPROVE MEASURE Q QUARTERLY REPORT OF INDEPENDENT ACCOUNTANTS for the period July 1 – September 30, 2016

The objective of the Quarterly Report of Independent Accountants is to assist the Citizens' Bond Oversight Committee in evaluating District management's assertions concerning expenditures of bond funds. The report contains the following statement from the independent accountant: *Selected a sample of 25 expenditures totaling \$6,617,546. The sample was selected to provide a representation across all construction projects, vendors and expenditure amounts. The sample represented approximately 1% of the total number of expenditures and 56% of the total expenditure value. Obtained purchase orders and invoices for each of the 25 expenditures; verified that the expenditures properly charged to the location indicated, were properly coded as to the nature of the expenditure and were made for the acquisition and construction of school facilities, including the furnishing and equipping of school facilities, and that funds were not spent for administrative salaries.*

Motion was made, seconded and carried unanimously to approve the Measure Q Quarterly Report of Independent Accountants for the period July 1 – September 30, 2016

**7. DISCUSS AND APPROVE MEASURE Q PERFORMANCE AUDIT
for the period July 1, 2015 – June 30, 2016**

The objective of the Performance Audit is to determine that the District expended Measure Q bond funds only for the purposes approved by the voters and the Board of Education, in compliance with the requirements of Proposition 39 and the California Constitution. The report contains the following statement from the independent accountant: *Selected a sample of 100 expenditures totaling \$16,079,835. The sample was selected to provide a representation across specific construction projects, vendors and expenditure amounts. The sample represented 2% of the number of expenditures and 42% of the total expenditure and transfers value. Verified that the expenditures properly charged to the location indicated, were properly coded as to the nature of the expenditure and were made for the acquisition and construction of school facilities, including the furnishing and equipping of school facilities, and that funds were not spent for administrative salaries.*

Motion was made, seconded and carried unanimously to approve the Measure Q Performance Audit for the period July 1, 2015 – June 30, 2016

**8. DISCUSS AND APPROVE MEASURE Q FINANCIAL STATEMENTS AUDIT
for the period July 1, 2015 – June 30, 2016**

The stand-alone Financial Statements Audit report is a new requirement; previously it was incorporated into the District's overall audit report. The report contains the following statement from the independent accountant: *In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fresno Unified School District Measure Q General Obligation Bonds activity as of June 30, 2016 and the changes in financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.*

Motion was made, seconded and carried unanimously to approve the Measure Q Financial Statements Audit for the period July 1, 2015 – June 30, 2016

9. DISCUSS AND APPROVE DRAFT 2015/16 MEASURE Q ANNUAL REPORT

Committee reviewed the draft report, which will be presented at the December 14, 2016 Board of Education meeting. Chair Barbara Steck will make opening comments. CBOC members were encouraged to attend. Dominic Papagni thanked staff and stated that the draft report was easy to understand.

Motion was made, seconded and carried unanimously to approve the Draft 2015/16 Measure Q Annual Report.

10. PRESENT AND DISCUSS MEASURE X ON THE NOVEMBER 8, 2016 BALLOT

Provided the following materials to the Committee:

- Presentation on “Measure X Investment Priorities” from October 12, 2016 Board Meeting
- Building Futures newsletters from August, September, October and November 2016
- Board Communication “List of Schools for Potential Measure X Projects” (October 14, 2016)

11. PRESENT AND DISCUSS CHAIR’S REPORT

None

12. PUBLIC COMMENT

None

13. ADJORN – next meeting January 24, 2017

CBOC web link <https://www.fresnou.org/dept/operations/COC/Pages/default.aspx>