

DRAFT MINUTES

FRESNO UNIFIED SCHOOL DISTRICT CITIZENS' BOND OVERSIGHT COMMITTEE

November 15, 2018

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, 4600 N. Brawley, Fresno CA 93720, Huntington Conference Room

Attendance

At a regular meeting of the CBOC held on November 15, 2018, present were CBOC members Brian Andritch, Inez Hill, Bruce O'Neal, Dominic Papagni and Barbara Steck (Chair).

Not present were CBOC members Arthur Koster, Michael Lopez, Jose Mejia and Chuck Riojas.

Also present were Fresno Unified staff Alex Belanger, Jason Duke, Leann Nowlin, Ruth Perez, Robert Quiroz and Karin Temple; and Arthur Ngo, Crowe LLP.

1. CALL MEETING TO ORDER

Chair Steck convened the meeting at 12:00 p.m.

2. INTRODUCTIONS / RECOGNITIONS / CHAIR'S REPORT

None

3. APPROVE DRAFT MEETING MINUTES FOR August 16, 2018

Approved unanimously by members present

4. DISCUSS PROJECT UPDATES

- School Improvement Projects – Building System Upgrades
- School Improvement Projects – Site Upgrades
- School Improvement Projects – Marquees
- ATP – Campus Modernization
- Duncan Polytechnical High – New and Renovated CTE Facilities
- Figarden Elementary – Third New Classroom Building
- McLane High – Quad Improvements
- McLane High – Softball/Baseball Fields
- McLane High – Library Modernization
- Rata Special Education High – Modernization and New Classrooms
- Roosevelt High – Pool Complex
- Roosevelt High – Softball/Baseball Fields
- Slater Elementary – Two Classroom Buildings, Kinder Building, Admin & Site Improvements
- Future Bond Projects

5. REVIEW AND APPROVE MEASURE Q AND MEASURE X PROJECT/EXPENDITURE REPORTS dated November 2018

Measure Q

- Total Measure Q obligated to date: \$256 M
- Total value of Measure Q projects to date (including state funding): \$317 M
- Decrease in total impact to Measure Q since last report: \$.1 M

Measure X

- Total Measure X obligated to date: \$48.1 M
- Total value of Measure X projects to date (including state funding): \$48.1 M
- Increase in total impact to Measure X since last report: \$7.1 M

Approved unanimously by members present

6. REVIEW AND ACCEPT QUARTERLY REPORT OF INDEPENDENT ACCOUNTANTS FOR MEASURE Q for the period July 1 – September 30, 2018

Selected a sample of 25 expenditures totaling \$1,496,455. The sample was selected to provide a representation across all construction projects, vendors and expenditure amounts. The sample represented approximately 3% of the total number of expenditures and 24% 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 the funds were not spent for administrative salaries.

7. REVIEW AND RECOMMEND BOARD OF EDUCATION APPROVE FOR MEASURE Q: 2017/18 ANNUAL FINANCIAL STATEMENTS AUDIT AND ANNUAL PERFORMANCE AUDIT

- a. **ANNUAL FINANCIAL STATEMENTS AUDIT** states on page 2: 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, 2018, 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.
- b. **ANNUAL PERFORMANCE AUDIT** states on page 4: The results of our tests indicated that in all significant respects, Fresno Unified School District expended Measure Q General Obligation Bond funds for the year ended June 30, 2018 only for the specific projects developed by the District's Board of Education and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1 (b)(3)(C) of Article XIII A of the California Constitution.

Recommended unanimously by members present

8. REVIEW AND ACCEPT QUARTERLY REPORT OF INDEPENDENT ACCOUNTANTS FOR MEASURE X for the period July 1 – September 30, 2018

Selected a sample of 25 expenditures totaling \$8,026,795. The sample was selected to provide a representation across all construction projects, vendors and expenditure amounts. The sample represented approximately 2% of the total number of expenditures and 86% 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.

9. REVIEW AND RECOMMEND BOARD OF EDUCATION APPROVE FOR MEASURE X: 2017/18 ANNUAL FINANCIAL STATEMENTS AUDIT AND ANNUAL PERFORMANCE AUDIT

- a. **ANNUAL FINANCIAL STATEMENTS AUDIT** states on page 2: 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 X General Obligation Bonds activity as of June 30, 2018, and the changes in financial position thereof for the period May 17, 2018 to June 30, 2018, in accordance with accounting principles generally accepted in the United States of America.
- b. **ANNUAL PERFORMANCE AUDIT** states on page 3: The results of our tests indicated that, in all significant respects, Fresno Unified School District expended Measure X General Obligation Bond funds for the period May 17, 2018 to June 30, 2018 only for the specific projects developed by the District's Board of Education and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution.

Recommended unanimously by members present

10. DISCUSS AND APPROVE FOR PRESENTATION DRAFT 2017/18 ANNUAL REPORT

Staff presented the draft report and requested feedback. The Committee suggested adding the *Measure X Projects Tracking Log* as an attachment, and adding the word "Potential" in the title to read *Measure X Potential Projects Tracking Log*. The Committee also discussed increasing the promotion of Measure X projects, such as in the monthly "Building Futures" newsletter published by the district.

Approved unanimously by members present

11. PUBLIC COMMENT

None

12. ADJORN

Next meeting May 16, 2019, 11:45am (lunch served), at the Brawley Service Center