

CITIZENS BOND OVERSIGHT COMMITTEE



CBOC Members

Kathy Wright, Chair

James Rush, Vice Chair

Robert Beatty, Member

Mary Ann Bowman,
Member

Adriana Curiel, Member

Richard E. Davis,
Member

Tom Evans, Member

Bob Garcia, Member

Tina Grande-Field,
Member

Keith Nelson, Member

Gabriela Plascencia,
Member

Terry Walling, Member

Julie Williams, Member



To the best of its ability, the Citizens Bond Oversight Committee believes that Riverside Unified School District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution.

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Executive Summary

The Riverside Unified School District (RUSD) was successful passing Measure O General Obligation Bond on November 8, 2016. With a 70% approval rate, the voters approved to issue up to \$392,000,000 as the principal amount for the District's school facilities bond (Measure O). Measure O will generate the dollars over the next 10 to 15 years to improve existing school facilities and build new capital facilities in Riverside Unified School District.

The Long Range Facility Master Plan completed in 2016 serves as the guide to plan projects based on condition, educational program, capacity needs, and available state funding. The Board of Education held three workshops to discuss the needs of district facilities and identify priorities. The workshops primarily focused on educating the Board and public on the prioritization process, providing data on the facilities, determining focus goals, and identifying priority projects.

2016 Ballot Measure O

The following is the full proposition presented to the voters by the Riverside Unified School District.

"To repair and upgrade Riverside schools, including deteriorating roofs, plumbing and electrical systems, improve student safety, security, and seismic safety, upgrade classrooms, science labs, career-training facilities, computer systems and instructional technology to support student achievement in math, science, engineering and skilled trades, and construct, acquire, repair classrooms, sites, facilities and equipment, shall Riverside Unified School District issue \$392 million in bonds at legal rates, with citizen oversight, no money for administrator salaries, all money staying local?"

Purpose of the Committee

Pursuant to Section 15278 of the Education Code, the District is obligated to establish an independent Citizens' Bond Oversight Committee (CBOC) in order to satisfy the accountability requirement of Prop. 39. The Board of Education approved the appointment of the CBOC at its March 20, 2017 Board meeting.

The purpose of the Citizens' Bond Oversight Committee (CBOC) shall be to inform the public concerning the expenditure of the bond proceeds. The CBOC will review bond program expenditures and outside audits to make sure the will of the voters is strictly followed in accordance with the wording of the original ballot measure.

To carry out its stated purpose, the Committee shall perform only the duties set forth in the CBOC bylaws as listed below:

3.1 Inform the Public. The Committee shall inform the public concerning the District's expenditure of bond proceeds. In fulfilling this duty, all official communications to either the Board or the public shall come from the Chair acting on behalf of the Committee. The Chair shall only release information that reflects the majority view of the Committee.

3.2 Review Expenditures. The Committee shall review expenditure reports produced by the District to ensure that (a) bond proceeds were expended only for the purposes set forth in Measure O; and (b) no bond proceeds were used for teacher or administrative salaries or other operating expenses in compliance with Attorney General Opinion 04-110, issued on November 9, 2004.

3.3 Annual Report. The Committee shall present to the Board, in public session, an annual written report for Measure O, which shall include the following:

(a) A statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution; and

(b) A summary of the Committee's proceedings and activities for the preceding year.

Committee Membership

The Committee is composed entirely of District residents, including those with experience in business, government, finance and education, as well as parents of Riverside Unified School District children, a member of a taxpayer association, and member of senior citizens' community, and parent-teacher organizations.

Committee Activities

In accordance with the provisions of the Ralph M. Brown Public Act, the committee conducts meetings for the public's attendance and participation. Meeting agendas and notices are sent to committee members and posted 72 hours in advance of the meeting. Notices are posted at the Riverside Unified School District office, Business office, Facilities Planning and Development office and on the district website. Meeting notices, agenda, minutes and all other documents received by the committee are a matter of public record and are available on the Riverside Unified School District website:

http://www.riversideunified.org/our_district/r_u_s_d_facilities_bond/measure_o_home

The Committee conducts quarterly business meetings, which included review of facilities projects and project expenditures. The Citizens' Bond Oversight Committee held meetings on the following dates:

- June 7, 2017 at 4:30pm at the District Office
- October 4, 2017 at 4:30pm at the District Office
- February 7, 2018 at 4:30pm at the District Office
- April 10, 2018 at 4:30pm at the District Office

Name	Group Representation	Term
Adriana Curiel	Parent Active in PTA	2 year term
Bob Garcia	Senior Citizen Organization	2 year term
Gabriela Plascencia	Community Member	1 year term
James Rush	Community Member	2 year term
Julie Williams	Community Member	2 year term
Kathy Wright	Community Member	2 year term
Keith Nelson	Community Member	2 year term
Mary Ann Bowman	Taxpayers' Association	1 year term
Richard E. Davis	Community Member	2 year term
Robert Beatty	Business Community	2 year term
Terry Walling	Community Member	2 year term
Tina Grande-Field	Community Member	2 year term
Tom Evans	Community Member	1 year term

The Committee has also been invited to Town Hall meetings, Board Study Session meetings and regular Board meetings when Measure O Bond projects have been discussed.

Committee Findings

The purpose of the Measure O Citizens' Bond Oversight Committee is to review and report on the proper expenditure of taxpayers' money for school improvements on the Measure O bond projects. Although still in the early stages of planning of projects, our review of published data has provided a comprehensive description of project scopes and expenditures. Each project reviewed is currently in schematic or design development stages.

As required by Prop. 39, the Committee also received and reviewed copies of the District's annual independent performance audit and annual independent financial audit prior to March 31 as indicated in the CBOC bylaws.

The Committee finds that, based upon all the information presented in its review of Measure O expenditures, that such funds are committed to eligible Measure O projects and were not allocated or expended for any teacher or administrative salaries or other school operating expenses. The Committee has determined that these funds are being judiciously used and recommends that RUSD continue with fund accountability procedures.

Recommendations

1. The Committee recommends continued regular review of the progress of Measure O project timelines and appropriate expenditures and complete review and reporting on an annual basis.
2. The Committee is pleased with RUSD's responsible and efficient approach to project reviews.
3. The Committee also recommends future site project visits that encourage staff interaction with Citizens' Bond Oversight Committee members and school administrators.

Citizens' Bond Oversight Committee Statement

The Riverside Unified School District Citizens' Bond Oversight Committee submits this Annual Report to the Board of Education in conformance with the standards of the Strict Accountability in Local School Construction Bond Act also known as Proposition 39.

To the best of our ability, based on the information provided by the District for the reporting period of May 2017 through March 2018, the Committee finds that the Riverside Unified School District is in compliance with the requirements of Article XIII A, Section 1(b) (3) of the California Constitution.

- 1) During this fiscal year, no funds were used for any teacher or administrative salaries or other operating expenses prohibited by Article XIII A, Section 1(b) (3) (a) of the California Constitution. Proceeds from the sale of bond funds in this reporting period were used only for the permitted purposes of modernization and construction planning of school facilities. We also note that bond revenue was spent only as specified in the voters ballot.
- 2) Independent performance and financial audits were conducted for the reporting period.

Respectfully Submitted,

Kathy Wright, Chairperson
Citizens' Bond Oversight Committee
Riverside Unified School District



MEASURE O PROJECTS

GROUP A

1. Harrison Elementary School
2. Highgrove Elementary School
3. Jefferson Elementary School
4. Madison Elementary School
5. Sierra Middle School

1st BOND ISSUANCE
Planning & Construction

GROUP B

1. Alcott Elementary School
2. Jackson Elementary School
3. Monroe Elementary School
4. Sunshine Elementary
5. Poly High School

1st BOND ISSUANCE
Planning
2nd BOND ISSUANCE
Construction

GROUP C

1. Adams Elementary School
2. Fremont Elementary School
3. Longfellow Elementary School
4. Magnolia Elementary School
5. University Middle School
6. Arlington High School

1st BOND ISSUANCE
Planning
2nd BOND ISSUANCE
Construction

MEASURE O PROJECT COMMITMENTS & EXPENDITURE

No.	District Project Name	Measure O Project Commitments	Measure O Project Expenditures	Remaining Commitment Balances	Current Project Phase
GROUP A PROJECTS (Planning & Construction Costs)					
1	Harrison Elementary School	\$542,143.00	(\$62,954.22)	\$479,188.78	Planning & Construction
2	Highgrove Elementary School	927,592.00	(61,285.60)	866,306.40	Planning & Construction
3	Jefferson Elementary School	1,016,628.00	(84,939.60)	931,688.40	Planning & Construction
4	Madison Elementary School	1,040,104.00	(16,023.48)	1,024,080.52	Planning & Construction
5	Sierra Middle School	637,670.00	(48,500.00)	589,170.00	Planning & Construction
6	STEM High School	<u>2,110,469.50</u>	<u>(153,271.50)</u>	<u>1,957,198.00</u>	Planning & Construction
GROUP A PROJECT TOTALS:		\$6,274,606.50	(\$426,974.40)	\$5,847,632.10	
GROUP B PROJECTS (Planning)					
7	Alcott Elementary School	\$589,264.00	\$0.00	\$589,264.00	Planning
8	Jackson Elementary School	379,843.00	(50,464.88)	329,378.12	Planning
9	Monroe Elementary School	286,828.00	0.00	286,828.00	Planning
10	Sunshine Early Childhood Center	182,652.00	(29,107.94)	153,544.06	Planning
11	Poly High School	<u>1,229,863.80</u>	<u>(98,898.80)</u>	<u>1,130,965.00</u>	Planning
GROUP B PROJECT TOTALS:		\$2,668,450.80	(\$178,471.62)	\$2,489,979.18	
GROUP C PROJECTS (Planning)					
12	Adams Elementary School	\$326,838.00	(\$9,781.25)	\$317,056.75	Planning
13	Fremont Elementary School	173,000.00	(34,161.50)	138,838.50	Planning
14	Longfellow Elementary School	484,275.00	(13,750.00)	470,525.00	Planning
15	Magnolia Elementary School	393,572.00	(66,898.96)	326,673.04	Planning
16	University Middle School	0.00	0.00	0.00	Planning
17	Arlington High School	<u>28,525.00</u>	<u>0.00</u>	<u>28,525.00</u>	Planning
GROUP C PROJECT TOTALS:		\$1,406,210.00	(\$124,591.71)	\$1,281,618.29	
18	Other District-Wide Projects *	\$1,541,514.95	(\$357,595.58)	\$1,183,919.37	Not Applicable
MEASURE O COMMITMENTS & EXPENDITURES:		<u>\$11,890,782.25</u>	<u>(\$1,087,633.31)</u>	<u>\$10,803,148.94</u>	

* Consists of other District campuses that are not related to the above groups.

Represents District financials as of 3/31/2018

KeyAnalytics - California Financial Services

PERFORMANCE & FINANCIAL AUDIT REPORTS

Performance Audit Report:

http://www.riversideunified.org/UserFiles/Servers/Server_580721/File/Departments/Facilities/Measure%20O/Audit%20Reports/2016-17%20Measure%20O%20Performance%20Audit%20Report-Final.pdf

Financial Audit Report:

<http://riversideunified.org/common/pages/DisplayFile.aspx?itemId=3323559>