# WCCUSD

# Citizens' Bond Oversight Committee

Meeting Minutes for September 12, 2022

1400 Marina Way South, Richmond, CA 94804

CBOC members are requested to contact the chairperson, Lorraine Humes, if they are unable to attend the meeting at email: lorrainehumes@comcast.net

**WCCUSD CITIZENS' BOND OVERSIGHT COMMITTEE**
**(Bond Measures D, E and R)**
**Approved Meeting Minutes**
**September 12, 2022 at 6 pm**
**1400 Marina Way South, Richmond CA 94804**
**In Person Meeting**
Meeting video recording available on YouTube
WCCUSD Citizens' Bond Oversight Committee (CBOC) for September 12, 2022

**A. Opening Procedures**

**B. Call to Order/Pledge of Allegiance**

Dr Anderson called the meeting to order at 6 pm.

**C. Roll Call**

Members present: John Anderson, Lorraine Humes, Sallie DeWitt
Members absent: Jason Lindsey
(4 members with 3 required for a quorum)

**D. Approval of Agenda**

Agenda approved by unanimous consent

**E. Public Comment for items not on the Agenda**

No Public Comments

**ACTION**

**E. Consent Items**

- **a. CBOC Information Request Log September 12, 2022**
- **b. July 11, 2022 CBOC Meeting Draft Minutes**
- **c. August 15, 2022 CBOC Meeting Draft Minutes**

Items E.a and b. where approved by unanimous consent..

Draft minutes of August 15, 2022 be pulled from the Consent Agenda by Lorraine Humes

**PRESENTATION**

**F. Bond Program Project Status and Financial Reports (Luis Freese/Melissa Payne/Ellen Mejia-Hooper)**

Presentation on progress of current Bond Projects including newsletters and financial reports

a. **Facilities Master Plan Project Update Consolidated Budget Report**
b. **Consolidated Budget Report**
c. **Report 13 Bond Program Financial Status**
d. **Report 13A Variance Report**

e. **Report 2 Bond Program Spending to Date**
f. **20-21 AP checklist**
g. **Status of applicants for CBOC**

Public Comments were received

**DISCUSSION**

**G. 2021 CBOC Annual Report (Lorraine Humes)**

a. **Update annual due dates for the Annual Report that were established in Resolution 21-3**
b. **2021 Transitional Annual Report content**.

**DISCUSSION AND ACTION**

**H. Ad Hoc committee Draft WCCUSD Board Policy Citizen's Bond Oversight Committee BP 7214.2**

**a. Discussion** and Resolution No. 22-03

b. **Resolution No. 22-03, September 12, 2022, Recommend Revised Board Policy 7214.2**
c. **Motion**

Mrs. DeWitt motioned that- let it be resolved that WCCUSD's CBOC recommends that the WCCUSD's Board of Ed consider adopting the revised CBOC BP 7214.2 attached to this resolution and as amended by Melissa Payne at this meeting. The policy was drafted by an Ad Hoc Sub-Committee consisting of two district staff, Luis Freese and Melissa Payne, and two CBOC members, John Anderson and Sallie DeWitt.

Ms. Humes seconded the Motion

d. **Discussion**

Public Comments were received

**e. Revised motion**

Mrs. DeWitt motioned to table the vote until the next scheduled meeting on October 10, 2022
Ms. Humes seconded the motion.
Motion passed by unanimous consent.

**I. Resolution No. 22-04, September 12, 2022, Re-establish an Independent WCCUSD CBOC**

Mrs. DeWitt motioned to submit Resolution 22-04 to the BOE
Ms. Humes seconded the motion.
Public Comments were received

**a. Vote**

Ms. Humes -Aye
Mrs. DeWitt-Aye
Mr. Anderson-Aye
Mr. Lindsey-Absent

Motion passed 3-0 with one absent

Mr. Anderson stated that he would make the date corrections to the resolution and sign it. He will also send copies to the Board and Dr. Hurst.
With the resolution being passed and distributed the October 10, 2022 meeting may not happen. (The Chairperson will get back to the committee members and the staff if this is the case.)

**J. Next Scheduled Meeting (tentative date)**

**a. October 10 , 2022 6 pm**

**K. Adjournment**

Mr. Anderson adjourned the meeting at 8:13pm.

Minutes prepared by John Anderson, CBOC Secretary (October 2, 2023)

| NAME of REQUESTER | DATE OPERATIONS OFFICE RVCD. | SUBJECT | FORWARDED FOR RESPONSE TO: | RESPONSE | RESP. DATE |
|---|---|---|---|---|---|
| 160)Lorraine Humes | 8/15/2022 | Financial Report #13 for 6-30-22 | 8-18-22 S. Cha | | |
| 161)Lorraine Humes | 8/15/2022 | Financial Report #13A for 1-31-21 - 6-30-22 | 8-18-22 S. Cha | | |
| 162)Lorraine Humes | 8/15/2022 | Reports for 6-30-22-Rpt. #2, Consolidate Fund 21&35, Master Plan Projects 2016, Measure R Projects | 8-18-22 S. Cha | | |
| 163)Lorraine Humes | 8/15/2022 | Estimated tax rates after Measure R | 8-18-22 S. Cha | | |
| 164)Lorraine Humes | 8/15/2022 | FMP Implementation update for Measure D(2010) & Measure E(2012), 6-20-21-slide #5-project status | 8-18-22 E. Mejia-Hooper | Sent to L. Humes 8-22-22 | 8/22/2022 |
| 165)Lorraine Humes | 8/15/2022 | FMP Updating the 2016 Facillities Master Plan Prioritization for Project Sequencing of Measure R 2020, June 23, 2021-slide 6 & 5 | 8-18-22 E. Mejia-Hooper | Sent to L. Humes 8-19-22 & 9-6-22 | 8-19-22 & 9-6-22 |
| 166)Lorraine Humes | 8/15/2022 | FAI Implementation reports Phase 1.5 & 2.0 | 8-18-22 M. Payne | Sent to L. Humes 9-8-22 | 9/8/2022 |
| 167)Lorraine Humes | 8/15/2022 | KPI Summary-Report #1, Bonds Authorized chart through June 30, 2022 | 8-18-22 S. Cha | | |

**WCCUSD CITIZENS' BOND OVERSIGHT COMMITTEE**
**(Bond Measures D, E and R)**
**Monday, July 11, 2022 at 6 pm**
**1400 Marina Way South, Richmond CA 94804**
**Meeting Minutes - draft**
**In Person/Virtual Meeting**

Meeting Video Recording Available at YouTube

https://www.youtube.com/channel/UC9u1R1iSWbHzhieeGC5LvYA/videos

**A. Opening Procedures**
**B. Call to Order/Pledge of Allegiance**

Mr. Anderson called the meeting to order at 6:07pm.

**C. Roll Call**

John Anderson, Sallie DeWitt Lorraine Humes, and Jason Lindsey
(4 members with 3 required for a quorum)
Members present: John Anderson, Sallie DeWitt, Lorraine Humes
Members Absent: Jason Lindsey
Staff present: Luis Freese, Melissa Payne, Ellen Mejia-Hooper

**D. Approval of Agenda**

*To discuss a Consent Calendar item, it must be removed from the agenda by a member of the committee or member of the public.*

Ms. Humes asked that the draft minutes from the June 13,2022 meeting be pulled.

Mr. Anderson stated the rest of the agenda is approved as presented.

Public Comments
Don Gosney

**E. Public Comment for items not on the Agenda**

*Items already on the agenda may not be spoken on in this section. Speakers wishing to address a specific agenda item they must fill out a Speaker Form with the appropriate agenda item listed. Speakers will be allowed three minutes*

No Public Comments

**DISCUSSION**

**F. CBOC Membership**
- **a. Openings of required positions**
  - **i. Member of a Senior Citizens' Organization**
  - **ii. Member who is the parent or guardian of a student enrolled in WCCUSD**

**iii. Member who is the parent of guardian of a student enrolled in WCCUSD and active in a parent teacher organization or a school site council**

Mr. Anderson announced Mr. Pana's resignation which brings the total membership to 4 members. We are missing 2 of the required positions. Mr. Anderson will fill the Senior Citizen's position vacated by Mr. Panas.

**b. Recruiting activities**

Mr. Freese discussed the different vehicles being used to recruit members including reaching out to principals and PTA"s. One application was received but the applicant has not responded to several attempts by staff to communicate with her.
Ms. Humes had some suggestions on recruiting.
Mrs. Payne suggested reaching out to former CBOC members who may know of interested parties.
Mrs. DeWitt inquired about Mr. Gosney's and Mr. Jungherr's application. Mr. Freese stated that they had both termed out according to CBOC policy.
There was further discussion on terming out.
Mrs. DeWitt wrote and read resolution 22-02 that addressed term limits and procedures for membership. The members discussed the resolution and how to proceed.
Convening a Special CBOC meeting in August was discussed. It was decided to schedule the special meeting on August 1 at 6pm.

Public Comments
Don Gosney
Anton Jungherr

Discussion
The members discussed on how to proceed with the resolution and the implications of violating the Brown Act. Mr. Anderson stressed the importance of filling the required positions.

**c. CBOC Officers**

Mr. Anderson discussed the open officer positions.

**ACTION**

**G. Consent Items**

Unless pulled from the agenda by a member of the committee or public. Consent items are approved without discussion by unanimous consent.

**a. CBOC Records Log July 5, 2022**

**b. June 13, 2022 Meeting Draft Minutes-**pulled for discussion by Ms. Humes

Ms. Humes commented that item H.a of the draft minutes was too vague and needed to be expanded. She will submit her suggestions.

Public Comments
Don Gosney

## PRESENTATION

**H. Bond Program Project Status and Financial Reports (Luis Freese/Melissa Payne)**

There were no financial reports available at this time

Presentation on progress of current Bond Projects including newsletters and financial reports

Mrs. Mejia Hooper presented the projects updates.

**a. Facilities Master Plan Project Update (Including proposed designs for Richmond High and Kennedy High)**

Public Comments
Don Gosney

Discussion

Mr. Anderson inquired about the status of the financial reports. Mrs. Payne responded that the we have been working closely with SeungJa Cha who has transferred to Business services. We have recently been able to fill the position with a new hire who is in training. Our priority is to get back on schedule with the financial reports as soon as possible.

## DISCUSSION

**I. 2021 CBOC Annual Report**

**a. Update annual due dates for the Annual Reports that were established in Resolution 21-3**

Members discussed next steps of the annual report. The fact that the Performance Audit and the Financial Audit have not been accepted by the Board was discussed.

**b. Report Format**

**J. Update on Ad Hoc committee of CBOC and WCCUSD staff Board on revision of Policy BP 7214.2 CBOC Revision**

Mr. Anderson stated that this item has already been discussed.

**K. FY2021 Audit/Audit Schedules**

**a. Request Staff assistance with completing the missing items in the attachment and confirm information on the attached.**

Mrs. Payne reviewed the updates that have been done on the audit schedule.

Discussion

Ms. Humes had questions concerning the status with the auditors. Mrs. Payne shared her time table of upcoming meetings with the auditors.

**b. CBOC Resolution 22-02 (Performance Audit) activity**

**L. Next Meeting**

**a. September 12, 2022 6 pm**

Mr. Anderson announced the scheduling of a Special Meeting August 1, 2022.

**M. Adjournment**

Mr. Anderson adjourned the meeting at 7:27pm.

Disability Information

Upon written request to the district, disability related modifications or accommodations—including auxiliary aids or services—will be provided. Contact the Superintendent's Office at (510) 231-1101 at least 48 hours in advance of the meeting

**WCCUSD CITIZENS' BOND OVERSIGHT COMMITTEE**
**(Bond Measures D, E and R)**
**August 15, 2022 at 6 pm**
**Meeting Minutes-draft**
**1400 Marina Way South, Richmond CA 94804**
**In Person/Virtual Meeting**

**https://www.youtube.com/channel/UC9u1R1iSWbHzhieeGC5LvYA/videos**

**A. Opening Procedures**

**B. Call to Order/Pledge of Allegiance**

Mr. Anderson called the meeting to order at 6:11 pm.

**Roll Call**

John Anderson, Sallie DeWitt Lorraine Humes, and Jason Lindsey
(4 members with 3 required for a quorum)
Member present: Sallie DeWitt, Lorraine Humes, John Anderson
Members Absent: Jason Lindsey
Staff present: Luis Freese, Ellen Mejia-Hooper, Melissa Payne

**C. Approval of Agenda**

*To discuss a Consent Calendar item, it must be removed from the agenda by a member of the committee or member of the public.*

Agenda was approved by unanimous consent.

**D. Public Comment for items not on the Agenda**

*Items already on the agenda may not be spoken on in this section. Speakers wishing to address a specific agenda item they must fill out a Speaker Form with the appropriate agenda item listed. Speakers will be allowed three minutes*

No Public Comments

**ACTION**

**E. Consent Items**

Unless pulled from the agenda by a member of the committee or public. Consent items are approved without discussion by unanimous consent.

**a. CBOC Records Log July 25, 2022**

**b. June 13, 2022 Meeting Revised Draft Minutes**

Consent Items were approved by unanimous

## DISCUSSION

**F. 2021 CBOC Annual Report (Lorraine Humes/Jason Lindsey)**

**a. Update annual due dates for the Annual Reports that were established in Resolution 21-3**

Ms. Humes reviewed the transitioning from calendar year to fiscal year. (comments and notes attached)

**b. Discuss required input from WCCUSD staff (Final Financial Reports Fiscal Year ending June 30, 2022)**

Mrs. Payne said that the 6-30-22 report was preliminary and the final report would be available sometime in September.
Mr. Anderson and Ms. Humes shared comments on the uniqueness of this 18-month report.

Public Comments
Mr. Jungherr
Mr. Gosney

## DISCUSSION AND ACTION

**G. Ad Hoc committee Draft WCCUSD Board Policy Citizen's Bond Oversight Committee BP 7214.2**

**a. Overview (Melissa Payne, Luis Freese, Sallie DeWitt, John Anderson)**

Mr. Anderson gave a brief overview of the drafted BP 7214.2 which includes recommendations of the Grand Jury. Mrs. Payne continued explaining how the committee took the existing policy and created a spreadsheet and examined each segment. The committee looked at the strengths of the policy and also where organization could be improved. They reviewed and modified the application process.

Mrs. DeWitt stated that the committee was pretty careful to reference the statue or basis for the policy or procedure that was called for in this policy. She wanted the Board and future Board and CBOC committee members to understand that the bones of this policy are the statues

Mr. Freese added comments.

Ms. Humes pulled out the 2015 revisions and had some suggested revisions that she sent to Mr. Anderson for comments. Ms. Humes reviewed the revisions she was suggesting with the committee. She commented that the draft audit should be presented to the CBOC by March 31 and that did not happen this year. She suggested adding a step allowing the CBOC to send their suggestions to the auditors, to use or not use, before the final report was presented to the BOE.

Mrs. Payne stated that the audit report was shared with the committee as soon as the district received. She commented that due to staffing shortages on both sides the reports were later than usual, but still met the statutory deadline.

Mrs. DeWitt had clarification on the applications on the webpage being the blank applications not the submitted applications.

**b. Discussion and Public Comments**

Public Comments
Don Gosney
Anton Jungherr

Ms. Humes feels that the committee meetings and any voting items should proceed no matter how many members are in the committee.
Mrs. DeWitt agreed there are flaws in the policy, one being where the BOE picks the applicants for the CBOC which is suppose oversee the district's bond program. Agreed that there should be an independent legal counsel for the CBOC.
Mrs. Payne explained the steps the Board takes when approving Board policies. She also reviewed other parts of the policy. Explained how and why the Grand Jury recommendations were incorporated in the policy.
Mr. Anderson and Ms. Humes gave their opinions on the suggested revisions.
Mr. Freese stated that the Board would like to hear the opinions and recommendations from the CBOC members.
There was further discussion from committee members and staff on the revisions and previous comments by members. This included whether to vote on the revisions at this time or to revisit it at a future meeting.

Public Comments
Mr. Gosney

**H. Resolution No. 22-02, August 1, 2022, Recommend Revised Board Policy 7214.2 (Sallie DeWitt)**

**a. Motion**
**b. Discussion**
**c. Vote**

Motion was tabled to next meeting to give members a chance to re-evaluated the revisions and submit further comments.

**I. Next Meeting**

**a. September 12, 2022 6 pm**

**J. Adjournment**

Mr. Anderson adjourned the meeting.

Disability Information

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**Agenda 8.15.2022 item G (a)(1)**

## Annual Reports Transitioning from Calendar Year to Fiscal Year Agenda 8.15.2022 G(a)(1) & H(b)(2)

| AR | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| Period covered | 1/2019 – 12/2019 (calendar year) | 1/2020 – 12/2020 (calendar year) | Transitional Period (CY to FY) | 1/2021 – 6/2022 (fiscal Year) | 7/2022 – 6/2023 (fiscal year) |
| CBOC report approval | 12/14/2020 | 12/13/21 | 9/2022 (target date for Audit & Compliance reports) | 11/30/2022 (target date) | 11/30/2024 (target Date) |
| District Reports -. #13,FMP, FAI, etc. | 1/2019 – 12/2019 | 1/2019 – 12/2020 | | 1/2021 – 6/2022 | 7/2022 – 6/2023 |
| Audit period | FY end 6/30/2019 | FY end 6/30/2020 | FY end 6/30/2021 | FY end 6/30/2022 | FY end 6/30/2023 |
| Audits presentation | 3/9/2020 **Fin** – Christy White & **Perf** -Moss Adams | 3/8/2021 **Fin** – Christy White & **Perf** - Edie Bailly | 5/9/2022 **Fin** – Christy White & **Perf** - Edie Bailly | 3/31/2023 (target Date) | 3/31/2024 (target Date) |
| Fin Audit Draft | None | None | None | | |
| Perf Audit Draft | Title & watermark | None | None | | |
| Fin Audit Partner | Michael Ash, Partner | Michael Ash, Partner | ? | | |
| Performance Audit | Lawrence Stepovich & Stephen Bacchetti Senior Managers | Nathan Edelman | ? | | |

**Agenda 8.15.22 File G (a)(2)**

**Resolution 21-3, Change CBOC Annual Report Reporting Period to Align with WCCUSD Fiscal Year Reporting Period.**

Resolved item 3.

*have a report, including a CBOC Compliance Statement, with the results of the June 30, 2021 financial and performance audits, be approved by June 30, 2022.*

Status - We have missed this deadline because the Board of Education has not yet accepted the 2021 Financial Audit's and Performance Audit's final reports.

**Timeline for June 31, 2021 Financial and Performance Audits:**

April 11, 2022 - CBOC meeting - cancelled due to lack of a quorum (Audits were scheduled to be presented)

Apr. 27,2022 – Bd. Of Ed. meeting - given audit presentations but tabled voting on accepting them due to CBOC not having had the audit presentations yet.

May 9, 2022 – CBOC meeting - given the audit presentations – passed Res 22-02 to send performance audit to the CA. State Controller to review it and give feedback as to whether it meets the states auditing standards.

Aug. 3, 2022 – Bd. of Ed. Meeting – agenda item on audits pulled from the agenda due to the late start of the meeting.

**Resolution 22-02, Performance Audit as of 6/31/2021 :**

At our May 9.2022 meeting, a representative of Eide Bailey presented their findings for the WCCUSD Performance Audit ending June 30, 2021 to the CBOC. Some members had questions about the thoroughness of the audit, in regards to, Opinion No. 04-110, from their 2020 Performance Audit, that deals with a District timekeeping system. Member Panas presented Resolution 22-02, proposing that the CBOC Chair John Anderson send copies of the audits for 2020 and 2021 to the California State Controller to see if the 2021 audit meets the government Auditing Standards.

Status - John Anderson, the CBOC Chair, sent the 2020 and 2021 Performance Audit reports to the California Controller but has not heard back from that office yet.

**2021 Transitional Annual Report for CBOC 8/15/22 Meeting G(b)**

Transitional Timeframe:

- 2020 Annual Report period – 1/1/2020 through 12/31/20
- Resolution 21-3, aligning CBOC annual report with WCCUSD fiscal year period, passed by CBOC 12/13/21
- 2021 Transitional Annual Report period - 1/1/2021 through 6/30/21 (include 2021 Financial and Performance Audits & Compliance Statement)
- 2022 Annual Report period- 7/1/21 – 6/30/22

Other Documents needed for 2021 Transitional Annual Report

- Resolution 21-3*
  - 2021 Financial Audit Report*
  - 2021 Performance Audit Statement*
  - Compliance Statement*

District Documents needed for 2022 Transitional Annual Report

Financial:

- Financial Report #13 for 12/31/21*
- Financial Report #13 for 6/30/22
- Financial Report #13A for 1/31/21 – 6/30/22
- Other Financial reports for 6/30/22 (Rpt. #2, Consolidated Fund 21 & 35, Master Plan Projects 2016, Measure R Projects)

Other Staff Documents:

- Measure R Bond Sales, July 2021*
- Estimated tax rates after Measure R

- FMP Implementation update for Measure D(2010) & Measure E(2012), 6/2021 – **slide #5** – project status
- FMP Updating the 2016 Facilities Master Plan Prioritization for Project Sequencing of Measure R 2020, June 23, 2021 – **slide 6**
- FAI Implementation reports Phase 1.5 and 2.0

CBOC Reports:

- CBOC Resolutions for 1/1/21 through 6/30/22*
- Other CBOC, Board, and District actions in between 1/1/21 – 6/30/21*
    - PMP approved by BOE at their 5/19/21 meeting
    - BOE tabled Board Policy (CBOC Bylaws) Revision Approx. 6/9/21
    - BOE approved renaming Juan Crespi Middle School to Betty Reid Soskin Middle School at their meeting on 6/23/21
    - West Contra Costa Unified Superintendent Matthew Duffy announced, in Nov. 2020 that he would not seek re-appointment when his contract ended, June 2021.
    - As of 5/14/21, Superintendent Dr. Kenneth "Chris" Hurst, Sr. is WCCUSD's 10th permanent superintendent.
    - West Contra Costa Unified Superintendent Matthew Duffy announced on November 5, 2020, that he was not going to seek re-appointment when his contract ends at the conclusion of the school year next June 30.2021. (Robert McIntire Ed.D. was appointed Interim CBO)
    - Seung Ja Chu promoted from the Fiscal Coordinator for Facilities, Operations Dept. to Exec. Dir of Business Services **DATE**?
      (Status of the Fiscal Coordinator for Facilities position - has not been filled.)

* Already have these documents

Agenda 8/15/2022, H(b)

# LMH Review of Proposed Board Policy 7214.2 Revision (Agenda Packet 8/1/2022)

4**. COMMITTEE DUTIES & AUTHORIZED DUTIES**

a. Items 4.2.2.1. Annual Performance Audit and 4.2.3.1. Financial Audit both deal with the CBOC and the Board receiving draft reports of the audits, in order to, review and comment on them.

This is not presently done. For instance, we did not receive draft copies of the 2021 audits. The CBOC and the Board first received the audit reports in the CBOC Agenda Packet for its May, 9, 2022 meeting (our April 11, 2002 meeting was canceled) and the Board of Education Agenda Packet for its April 27, 2022 meeting. The report findings slide presentations and the reports, received by both groups, were identical. Neither audit reports were water marked or labeled DRAFT and the Board's reports supporting document files were named 'Final Report'. Also, the Board Agenda items were under the Consent Section of the agenda with the comment that the staff recommends that the Board accept the reports. This is probably why there was no interest, by the Eide Bailly representative to change the wording in their report following our written comments and review session.

Note: The slide presentation for the report findings had a complete slide dedicated to the prior report findings and its resolution (see attachment).

My opinion:

I think we should keep the sections about receiving the draft reports in the board policy but add a section, under each audit stating:

*Following its review and comment meeting with the auditor's representatives, the CBOC will write a review of its findings to the Board. This way, if there is a difference of opinion between the auditors and the CBOC, concerning the reports, the Board will be aware of this prior to voting on accepting the report.*

We should also look at the audit contracts to see if they mention supplying drafts of their reports for review and comment.

(I also think that, since at their last meeting, due to getting a late start, the Board tabled voting on accepting the 2021 audits, that the CBOC inform the Board of our disagreement with the Eide Bailly Performance Audit representative about including the mention of the prior audit opinion and resolution in the 2021 report's scope and conclusion sections.)

b. Both 4.2.2.2 and 4.2.3.2 the Board giving the CBOC a written response to the audit findings.

At the beginning of each statement we should add the phrase:

*Within three months of receiving the audits,* the District…

This time limit is stated in Ed Code 15280, (a)(2). See attachment

c. We should add a statement about entrance and exit conferences with the auditors.

My opinion:

1. For the 2022 Performance Audit, I would have liked to have been able to make the auditor aware that the CBOC is having trouble monitoring the bond program adequately due to personnel shortages. (The personnel salaries are paid from the Bond funds.)

a. We have not had complete financial reports since February 2022. (How can you monitor for waste, fraud, and abuse in program finances without financial reports?)

b. Our 2021 audits were not presented to us until April 24, 2022 (legal deadline is March 31, 2022)
c. Our FAI implementation audits, Phase 1.5 and 2.0, will not be presented until Summer of 2022 (Phase 1 of the implementation was completed March 7, 2019)

Perhaps they could mention this problem in their report.

2. I would also have liked to explain that due to the CBOC switching from a calendar year annual report to a District fiscal year report that we will not have a 2021 Annual Report but will have a 2021 Transitional Report once the District accepts the 2021 Performance and Financial Audits.

Therefore, having had a conference with the auditor prior to them writing their report would have been helpful.

**5.3 A typo**

Term. Committee members shall serve for a term of two (2) years. Members of the Committee may be appointed by the Board**, in** (should be **at**) its discretion, for no more than three…

**5.4 Solicitation and Appointments of Members**

The Superintendent or CBOC Liaison and the Committee may advertise for and solicit Applicants ("Applicants") for consideration of appointment to the Committee. The District's Bond Oversight Committee Application ("Application") shall be made publicly available to the community on the District's and Committee's website. Applicants can self-nominate by submitting an Application. The

Application shall consist of the contact information, membership criteria, personal statement, and an option to provide a resume. If the Applicant is a Committee member applying to serve an additional term, the Application remains the same.

My opinion:

For privacy considerations, we should not have the applicant's contact information publicly available on the websites.

I suggest - The District's Bond Oversight Committee Application ("Application*"), with the applicant's personal contact information redacted,* shall be made publicly available to the community on the District's and Committee's website.

## Agenda 8.15.22 H(b)(2)

## Eide Bally 2020 Performance Audit Finding:

2020- Time Documentation

The District does not have a documented basis for distributing salary between the narrow category of bond-compliant construction projects and routine everyday school facilities administrator expenses. For the fiscal year ended June 30, 2020, the District utilized the Annual Staffing Plan to allocate payroll expenditures to the bond fund based on the portion of hours worked on bond projects; however, the Annual Staffing Plan does not reconcile to the employees' actual hours spent on the bond-funded activiti es as documented on timesheets. As a response to previous years' audit findings, management has developed a protocol to establish the basis of salary allocation to the bond program. The new protocol began implementation as of March 2020. Accordingly, the District could not provide supporting documentation covering the entire year under audit.

## Eide Bailly's 2021 Performance Audit Findings Slide Show Presentation:

Title: CURRENT STATUS OF PRIOR FINDINGS (Slide 6 /9)

• Finding: The District does not have a documented basis for distributing salary between the narrow category of bond compliant construction projects and routine everyday school facilities administrator expenses.

• Recommendation: Continue implementation of the process that was started in March 2020.

• Status as of June 30, 2021: Resolved

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## Eide Bailly 2021 Performance Audit, Final Report:

West Contra Costa Unified School District 2010 Measure D and 2012 Measure E Bond Funds June 30, 2021

Scope:

Scope of the Audit The scope of our performance audit covered expenditures incurred during the fiscal year of July 1, 2020 to June 30, 2021. The population of expenditures tested included all object and project codes associated with the bond projects. The propriety of expenditures for capital projects and maintenance projects funded through other State or local funding sources, other than proceeds of the bonds, were not included within the scope of the audit. Expenditures incurred after June 30, 2021, were not reviewed or included within the scope of our audit or in this report.

Methodology:

7. We obtained the payroll expenditures accounting records and selected 7 out 16 individuals who were funded by the Measure D and Measure E during the fiscal year 2021. 5 out of 7 individuals tested were full-time District employees with bond related responsibilities and 2 individuals were involved in the non-recurring bond related activity.

8. We tested selected individuals' salaries and benefits charged to the bond funds to verify that the District has a documented basis of allocating based on bond related activity.

9. We reconciled the time documentation received to the actual payroll expenditures recorded in the general ledger and the bond fund allocation percentage based on the annual staffing plan. Based on the review of the position responsibility and time documentation, the payroll expenditure allocation to the bond fund was within the bond-funded allowable activities. We also verified that the actual payrolls are allocated based on the Annual Staffing Plan.

Conclusion:

The results of our tests indicate that, in all significant respects, the West Contra Costa Unified School District has met the compliance requirements of Article XIIIA, Section 1(b)(3)(C) of the California Constitution and Measure D and Measure E as to the approved bond projects list. We noted the following:

a. Expenditures align with the voter-approved bond project list.

b. Payroll expenditures are only for directly eligible bond program activities and not school administrators or District operating expenses.

c. Supporting documents for public bid, procurement, and contract files show compliance with District Policies, public law provisions, and other associated statutes.

d. Supporting documents for change orders show compliance with the District Policies, public law provisions, and other related regulations.

# F. WCCUSD Bond Program Project Status and Financial Reports

# Projects Status Update

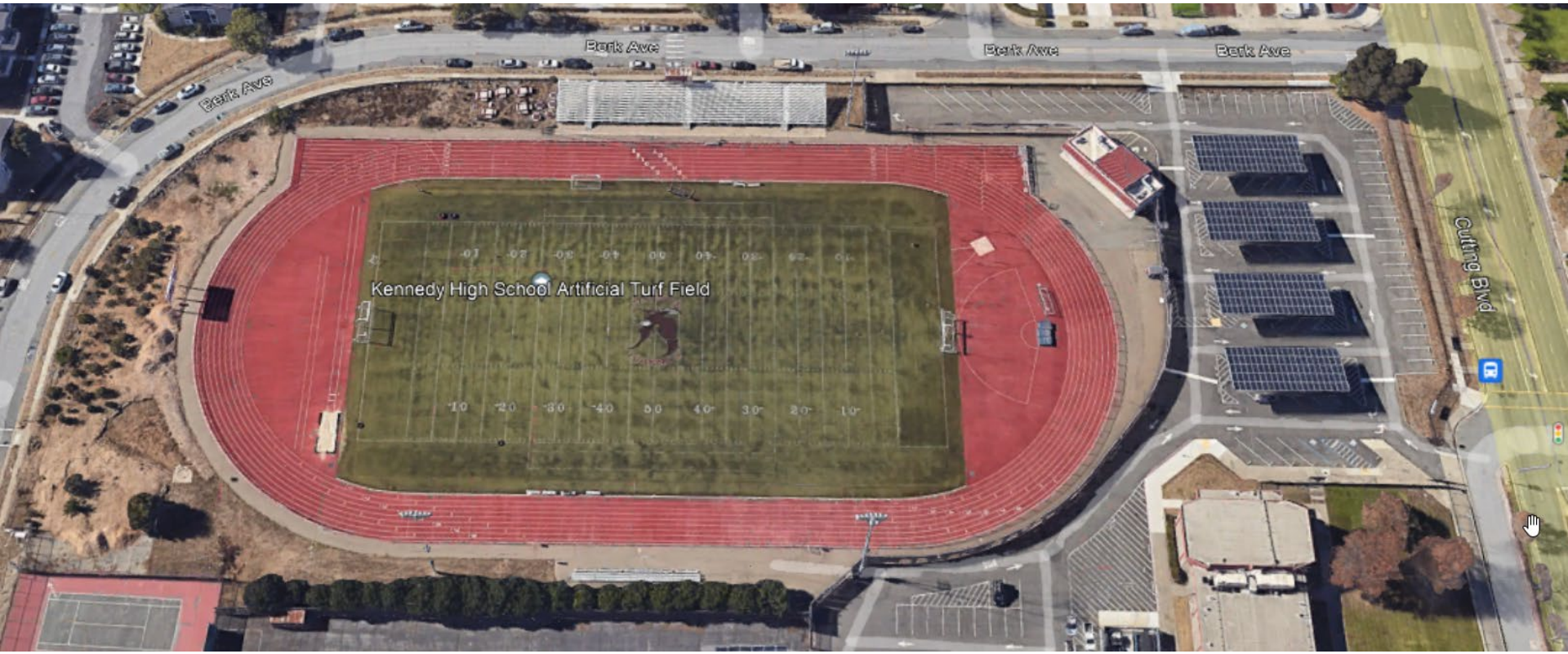
Citizens' Bond Oversight Committee
Sept 12, 2022

# Project Status Update

| | SITE | PROJECT | TYPE | STATUS |
|---|---|---|---|---|
| **PLANNING** | Kennedy HS | Site Specific Master Plan | BOND | Pending Board discussion |
| | Richmond HS | Site Specific Master Plan | BOND | Pending Board discussion |
| | **SITE** | **PROJECT** | **TYPE** | **STATUS** |
| **DESIGN** | Hercules M/HS | Critical Needs: Science Labs | BOND | Submitted to DSA |
| | Shannon ES | Critical Needs: MPR | BOND | Design |
| | **SITE** | **PROJECT** | **TYPE** | **STATUS** |
| **PROCUREMENT** | Riverside ES | Site Improvements | BOND | Rebid scheduled for next summer |
| | Collins ES | Critical Needs: HVAC Addition | BOND | Bidding |
| | Cameron School | Critical Needs: HVAC Addition | BOND | Rebidding |
| | **SITE** | **PROJECT** | **TYPE** | **STATUS** |
| **DESIGN-BUILD** | Lake | Campus Replacement | BOND | Increment 1 - Construction<br>Increment 2 - DSA |
| | **SITE** | **PROJECT** | **TYPE** | **STATUS** |
| **CONSTRUCTION** | Pinole Valley HS | Fields Restoration & Bleachers | BOND | Construction |
| | E-Rate Year 24 | Indoor/Outdoor Wireless Upgrades at Various Sites | E-RATE & BOND | Construction |
| | Kennedy Fields | Field and Bleachers Replacement | BOND | Award pending Board approval 7/13/22 |

**LEGEND & ACRONYMS** (DSA) Division of the StateArchitect (RFQ) Request for Qualification
(RFQ/P) Request for Qualifications & Proposal

# Kennedy High School Field, Bleacher & Pressbox




This project refurbishes the stadium on the Kennedy campus. Major elements include the replacement of the existing bleachers with new visitor and home bleachers, resurfacing the field turf and track, and relocating the tack field events.

# Kennedy HS Bleachers and Press Box Replacement



# Kennedy HS Bleachers and Press Box Replacement



# Lake Elementary School Campus Replacement



This two-phase project is the replacement of the Lake ES campus.  The first phase will include new buildings and site work on the East half of the campus and the second phase will include new buildings and remaining site work on the West half of the campus.

# Lake ES Construction Photos



# Lake ES Construction Photos



# Lake ES Construction Photos



# Pinole Valley HS Fields, Fieldhouse, and Press Box



The project will convert the temporary campus area to a combination baseball/softball field and restore the tennis and basketball courts. The project also includes building a field house, home side bleachers including a press box, and resurface the stadium field and track. This project is an investment in our community through the use of taxpayer bond dollars.

# PVHS Construction Photos






Baseball / Softball Complex and Shotput

# G. Annual Report Update

**Agenda 8.15.2022 item G (a)(1)**

## Annual Reports Transitioning from Calendar Year to Fiscal Year Agenda 8.15.2022 G(a)(1) & H(b)(2)

| AR | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|
| Period covered | 1/2019 – 12/2019 (calendar year) | 1/2020 – 12/2020 (calendar year) | Transitional Period (CY to FY) | 1/2021 – 6/2022 (fiscal Year) | 7/2022 – 6/2023 (fiscal year) |
| CBOC report approval | 12/14/2020 | 12/13/21 | 9/2022 (target date for Audit & Compliance reports) | 11/30/2022 (target date) | 11/30/2024 (target Date) |
| District Reports -. #13,FMP, FAI, etc. | 1/2019 – 12/2019 | 1/2019 – 12/2020 | | 1/2021 – 6/2022 | 7/2022 – 6/2023 |
| Audit period | FY end 6/30/2019 | FY end 6/30/2020 | FY end 6/30/2021 | FY end 6/30/2022 | FY end 6/30/2023 |
| Audits presentation | 3/9/2020 **Fin** – Christy White & **Perf** -Moss Adams | 3/8/2021 **Fin** – Christy White & **Perf** - Edie Bailly | 5/9/2022 **Fin** – Christy White & **Perf** - Edie Bailly | 3/31/2023 (target Date) | 3/31/2024 (target Date) |
| Fin Audit Draft | None | None | None | | |
| Perf Audit Draft | Title & watermark | None | None | | |
| Fin Audit Partner | Michael Ash, Partner | Michael Ash, Partner | ? | | |
| Performance Audit | Lawrence Stepovich & Stephen Bacchetti Senior Managers | Nathan Edelman | ? | | |

**Agenda 8.15.22 File G (a)(2)**

**Resolution 21-3, Change CBOC Annual Report Reporting Period to Align with WCCUSD Fiscal Year Reporting Period.**

Resolved item 3.

*have a report, including a CBOC Compliance Statement, with the results of the June 30, 2021 financial and performance audits, be approved by June 30, 2022.*

Status - We have missed this deadline because the Board of Education has not yet accepted the 2021 Financial Audit's and Performance Audit's final reports.

**Timeline for June 31, 2021 Financial and Performance Audits:**

April 11, 2022 - CBOC meeting - cancelled due to lack of a quorum (Audits were scheduled to be presented)

Apr. 27,2022 – Bd. Of Ed. meeting - given audit presentations but tabled voting on accepting them due to CBOC not having had the audit presentations yet.

May 9, 2022 – CBOC meeting - given the audit presentations – passed Res 22-02 to send performance audit to the CA. State Controller to review it and give feedback as to whether it meets the states auditing standards.

Aug. 3, 2022 – Bd. of Ed. Meeting – agenda item on audits pulled from the agenda due to the late start of the meeting.

**Resolution 22-02, Performance Audit as of 6/31/2021 :**

At our May 9.2022 meeting, a representative of Eide Bailey presented their findings for the WCCUSD Performance Audit ending June 30, 2021 to the CBOC. Some members had questions about the thoroughness of the audit, in regards to, Opinion No. 04-110, from their 2020 Performance Audit, that deals with a District timekeeping system. Member Panas presented Resolution 22-02, proposing that the CBOC Chair John Anderson send copies of the audits for 2020 and 2021 to the California State Controller to see if the 2021 audit meets the government Auditing Standards.

Status - John Anderson, the CBOC Chair, sent the 2020 and 2021 Performance Audit reports to the California Controller but has not heard back from that office yet.

**2021 Transitional Annual Report for CBOC 8/15/22 Meeting G(b)**

Transitional Timeframe:

- 2020 Annual Report period – 1/1/2020 through 12/31/20
- Resolution 21-3, aligning CBOC annual report with WCCUSD fiscal year period, passed by CBOC 12/13/21
- 2021 Transitional Annual Report period - 1/1/2021 through 6/30/21 (include 2021 Financial and Performance Audits & Compliance Statement)
- 2022 Annual Report period- 7/1/21 – 6/30/22

Other Documents needed for 2021 Transitional Annual Report

- Resolution 21-3*
  - 2021 Financial Audit Report*
  - 2021 Performance Audit Statement*
  - Compliance Statement*

District Documents needed for 2022 Transitional Annual Report

Financial:

- Financial Report #13 for 12/31/21*
- Financial Report #13 for 6/30/22
- Financial Report #13A for 1/31/21 – 6/30/22
- Other Financial reports for 6/30/22 (Rpt. #2, Consolidated Fund 21 & 35, Master Plan Projects 2016, Measure R Projects)

Other Staff Documents:

- Measure R Bond Sales, July 2021*
- Estimated tax rates after Measure R

- FMP Implementation update for Measure D(2010) & Measure E(2012), 6/2021 – **slide #5** – project status
- FMP Updating the 2016 Facilities Master Plan Prioritization for Project Sequencing of Measure R 2020, June 23, 2021 – **slide 6**
- FAI Implementation reports Phase 1.5 and 2.0

CBOC Reports:

- CBOC Resolutions for 1/1/21 through 6/30/22*
- Other CBOC, Board, and District actions in between 1/1/21 – 6/30/21*
    - PMP approved by BOE at their 5/19/21 meeting
    - BOE tabled Board Policy (CBOC Bylaws) Revision Approx. 6/9/21
    - BOE approved renaming Juan Crespi Middle School to Betty Reid Soskin Middle School at their meeting on 6/23/21
    - West Contra Costa Unified Superintendent Matthew Duffy announced, in Nov. 2020 that he would not seek re-appointment when his contract ended, June 2021.
    - As of 5/14/21, Superintendent Dr. Kenneth "Chris" Hurst, Sr. is WCCUSD's 10th permanent superintendent.
    - West Contra Costa Unified Superintendent Matthew Duffy announced on November 5, 2020, that he was not going to seek re-appointment when his contract ends at the conclusion of the school year next June 30.2021. (Robert McIntire Ed.D. was appointed Interim CBO)
    - Seung Ja Chu promoted from the Fiscal Coordinator for Facilities, Operations Dept. to Exec. Dir of Business Services **DATE**?
      (Status of the Fiscal Coordinator for Facilities position - has not been filled.)

* Already have these documents

Application shall consist of the contact information, membership criteria, personal statement, and an option to provide a resume. If the Applicant is a Committee member applying to serve an additional term, the Application remains the same.

My opinion:

For privacy considerations, we should not have the applicant's contact information publicly available on the websites.

I suggest - The District's Bond Oversight Committee Application ("Application*"), with the applicant's personal contact information redacted,* shall be made publicly available to the community on the District's and Committee's website.

## Agenda 8.15.22 H(b)(2)

## Eide Bally 2020 Performance Audit Finding:

2020- Time Documentation

The District does not have a documented basis for distributing salary between the narrow category of bond-compliant construction projects and routine everyday school facilities administrator expenses. For the fiscal year ended June 30, 2020, the District utilized the Annual Staffing Plan to allocate payroll expenditures to the bond fund based on the portion of hours worked on bond projects; however, the Annual Staffing Plan does not reconcile to the employees' actual hours spent on the bond-funded activiti es as documented on timesheets. As a response to previous years' audit findings, management has developed a protocol to establish the basis of salary allocation to the bond program. The new protocol began implementation as of March 2020. Accordingly, the District could not provide supporting documentation covering the entire year under audit.

## Eide Bailly's 2021 Performance Audit Findings Slide Show Presentation:

Title: CURRENT STATUS OF PRIOR FINDINGS (Slide 6 /9)

• Finding: The District does not have a documented basis for distributing salary between the narrow category of bond compliant construction projects and routine everyday school facilities administrator expenses.

• Recommendation: Continue implementation of the process that was started in March 2020.

• Status as of June 30, 2021: Resolved

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## Eide Bailly 2021 Performance Audit, Final Report:

West Contra Costa Unified School District 2010 Measure D and 2012 Measure E Bond Funds June 30, 2021

Scope:

Scope of the Audit The scope of our performance audit covered expenditures incurred during the fiscal year of July 1, 2020 to June 30, 2021. The population of expenditures tested included all object and project codes associated with the bond projects. The propriety of expenditures for capital projects and maintenance projects funded through other State or local funding sources, other than proceeds of the bonds, were not included within the scope of the audit. Expenditures incurred after June 30, 2021, were not reviewed or included within the scope of our audit or in this report.

Methodology:

7. We obtained the payroll expenditures accounting records and selected 7 out 16 individuals who were funded by the Measure D and Measure E during the fiscal year 2021. 5 out of 7 individuals tested were full-time District employees with bond related responsibilities and 2 individuals were involved in the non-recurring bond related activity.

8. We tested selected individuals' salaries and benefits charged to the bond funds to verify that the District has a documented basis of allocating based on bond related activity.

9. We reconciled the time documentation received to the actual payroll expenditures recorded in the general ledger and the bond fund allocation percentage based on the annual staffing plan. Based on the review of the position responsibility and time documentation, the payroll expenditure allocation to the bond fund was within the bond-funded allowable activities. We also verified that the actual payrolls are allocated based on the Annual Staffing Plan.

Conclusion:

The results of our tests indicate that, in all significant respects, the West Contra Costa Unified School District has met the compliance requirements of Article XIIIA, Section 1(b)(3)(C) of the California Constitution and Measure D and Measure E as to the approved bond projects list. We noted the following:

a. Expenditures align with the voter-approved bond project list.

b. Payroll expenditures are only for directly eligible bond program activities and not school administrators or District operating expenses.

c. Supporting documents for public bid, procurement, and contract files show compliance with District Policies, public law provisions, and other associated statutes.

d. Supporting documents for change orders show compliance with the District Policies, public law provisions, and other related regulations.

## FAI Implementation Reviews

On September 21, 2016, the Board of Education approved the final report of the "Forensic Accounting Investigation" by Vicenti, Lloyd & Stutzman, LLP (VLS). The investigation was to review complaints, made by a 'whistle blower' and assess the risk of fraud, corruption and waste in the bond program. In addition to assigning risk factors to 62 aaligations, the VLS investigations had 112 recommendations to reduce risk related to the allegations and improve organizational efficiency.

The Board of Education approved the formation of an Implementation Task Force (ITF) on September 21, 2016. It was estimated that the implementation and audit process would be completed in 2018.

Moss Adams LLC. completed a review of 62 recommendations, identified by the District as fully implemented, on June 30, 2017. (33 implemented, 19 partially implemented, 3 not implemented, and 7 undetermined*). This is called Phase 1 of the review.

Eide Bailly was awarded a contract to complete Phase 1.5 of the review. Phase 1.5 was to review and verify the 29 recommendations not deemed implemented in Phase 1. The anticipated completion date for this review was 5/17/2021. (See FY 2020 Audit Schedules Chart in the CBOC 3/8/21Agenda Packet)

Moss Adams LLC. was awarded a contract to complete Phase 2 of the review. Phase 2 was to review and verify the remaining 50 recommendations implemented after June 30, 2017. The anticipated completion date was 5/17/2021. (See FY 2020 Audit Schedules Chart in the CBOC 3/8/21 Agenda Packet)

In a report presented entitled, *Aligning Bond Audits to our Practice, Part Two,* to the CBOC, at our 5/9/2022 meeting, the completion dates for Phase 1.5 and 2.0 of the reviews was pushed back to the Summer of 2022

**Status:**

This is our September 2022 meeting, five years after Moss Adams gave their report on Phase 1 of the review; what is the status of the Phase 1.5 and 2.0 reports?

# Financial Monthly Reports for Construction Bond Program

1. Bond Program Spending to Date by Site (Rpt.#2)

2. Consolidated Budget Reports-

   A. PROGRAM-WIDE CONSOLIDATED BUDGET STATUS REPORT

   B. 2016 MASTER PLAN CONSOLIDATED BUDGET STATUS REPORT

   C. MEASURE R CONSOLIDATED BUDGET STATUS REPORT

3. Bond Program Financial Status Report (Rpt. # 13)

4. Bond Program Financial Status Variance Report (Rpt. # 13A)

5. Accounts Payable Checklist

6. Payroll Data (Salary + Benefits) – in CBOC agenda packet not on Facilities website - Not since December 2021

-

**Reports Posted on Facilities Planning and Construction Website**

| Report | Report #2 | | | Consolidated – Program-wide | | | Consolidated – Master Plan | | | Con R | Report #13 | | | Report #13A | | | Accounts Payable Cklist | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Mo. / Yr. | 20 | 21 | 22 | 20 | 21 | 22 | 20 | 21 | 22 | 22 | 20 | 21 | 22 | 20 | 21 | 22 | 20 | 21 | 22 |
| Jan. | Y | Y | N** | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | * | Y | Y | Y | Y |
| Feb. | Y | Y | N | Y | Y | N | Y | Y | N | N | Y | Y | N | * | * | N | Y | Y | N |
| Mar. | Y | Y | N | Y | Y | N | Y | Y | N | N | Y | Y | Y | Y | * | N | Y | Y | N |
| Apr. | Y | Y | N | Y | Y | N | Y | Y | N | N | Y | Y | N | Y | * | N | Y | Y | N |
| May | Y | Y | N | Y | Y | N | Y | Y | N | N | Y | Y | N | * | * | N | Y | Y | N |
| Jun. | Y | Y | N | Y | Y | N | Y | Y | N | N | Y | Y | N | Y | * | N | Y | Y | N |
| Jul. | Y | Y | N | Y | Y | N | Y | Y | N | N | Y | Y | N | * | Y | N | Y | Y | N |
| Aug. | Y | Y | N | Y | Y | N | Y | Y | N | N | Y | Y | N | * | * | N | Y | Y | N |
| Sep. | Y | Y | N | Y | Y | N | Y | Y | N | N | Y | Y | N | * | * | N | Y | Y | N |
| Oct. | Y | Y | | Y | Y | | Y | Y | | | Y | Y | | Y | * | | N*** | Y | |
| Nov. | Y | Y | | Y | Y | | Y | Y | | | Y | Y | | * | * | | Y | Y | |
| Dec. | Y | Y | | Y | Y | | Y | Y | | | Y | Y | | * | Y | | Y | Y | |

*Report #13 not #13A / **Bid document not Rpt. #2 / *** Not in Facilities database but in CBOC agenda packet for 11/2020

**STATUS:**

WHEN WILL WE GET FINANCIAL REPORTS AGAIN? ARE THEY GOING TO HIRE A FACILITIES FISCAL COORDINATOR?

## Change Orders for Board of Education September 7,2022 meeting.

We used to get change orders with our monthly financial packets. I noticed two change orders on the Board's September 7th meeting agenda – both for PVHS fields, one <10% and one >10%.

| Company | Original Contract Amount | Previously Ratified CO's | CO's Pending Approval | Change Percent | Total CO's | Total CO % of Original Contract | CO Reaso Code |
|---|---|---|---|---|---|---|---|
| CWS Construction Group, Inc. | $15,185,000 | $1,077,978.83 | **$329,306.10** | 2.17% | $1,407,284.93 | 9.27% | 1 |

**Recommendation**

Approve the change order.

**Financial Impact**

$329,306.10 Funded from Fund 21.

The proposed expenditure is within the following budget account for Pinole Valley High School

21-9748-6170-362-0000-8500-400130-0-0000

| | |
|---|---|
| Original Contract | $15,185,000.00 |
| Total Change orders | $ 1,407,284.93 |
| Adj. New Contract | $16,592,284.93 |

| Project Status Report – PVHS Field, Field House and Bleschers | | | | |
|---|---|---|---|---|
| Date | Original Contract | Revised Contract | Difference | Comments |
| 2/3/2022 | $15,185,000 | $15,185,000.00 | - | |
| 3/4/2022 | $15,185,000 | $15,185,000.00 | - | |
| 5/4/2022 | $15,185,000 | $15,468,284.88 | $ 283,284.88 | |
| 6/4/2022 | $15,185,000 | $15,901,933.89 | $ 716.933.89 | |
| 7/7/2022 | $15,185,000 | $16,032,078.65 | $ 847,078.65 | |
| 8/ /2022 | - | - | - | No report |
| 9/7/2022 | $15,185,000 | $16,592,284.93 | $1,407,284.93 | Bd. Of Ed agenda |

Status:

When change orders add to an original contract over $1 million dollars, shouldn't we get a report on this project?

## Prioritization for Measure R Projects

2016 FMP

The Plan identifies an additional 21 projects with an aggregate Rough Order of Magnitude cost estimate of $1.1 billion that will require additional bond measures to implement. These projects are referred to as "Unfunded Master Plan Projects"

Modernization/Partial Replacement

Richmond High - Modernization/Partial Replacement **- $119.2 million**

Kennedy High - Modernization/Partial Replacement - $110.4 million

Replacement

Stege Elementary - Replacement - $86.4 million

Six Years Later (Given to CBOC on 6/13/22)

Report entitled***, A Re-imagined Richmond High School May 31, 2022***

Master Plan Estimated Costs

(The estimate is in today dollars, but includes escalation through the mid-point of construction assumed to be in 2026.)

Richmond High School:

Renovation & New Construction = $363,023,090.00

Hybrid = $426,230,604.00

Mostly New = $437,912,984.00

Challenges:

• The Board direction was to imagine Kennedy, Richmond, and Stege sites

• The Re-Imagining Process at both RHS and KHS has resulted in similar cost estimates for both campuses

• Additional facility needs have been expressed which also may impact available funding • Measure R is $575,000,000

• Next Steps : We will be presenting the options to the Board for consideration and potential direction

**Status?**

In the Project Status Update Chart from our 7/11/22 meeting the Richmond HS and Kennedy HS are listed as 'Pending Board Discussion'. Have these project estimates been presented to Board? If so, what was their decision?

**Additional Problem:** The wording of Measure R (below) gives the impression that if this measure passes and the District gets matching state funding for the projects and no unforeseen factors, beyond the District's control , occur, the 21 projects will be completed with the funds from Measure R.

Gmail

Search in mail

Compose

Inbox 222

Starred

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Sent

Drafts 5

More

Labels

[Gmail]Trash

# September Agenda packet

Inbox ×

**Lorraine Humes**
Morning John, You said you were going to put the agenda packet togeth

**john Anderson**
I will put together tomorrow Sent from my iPhone On Sep 6, 2022, at 7:0

**Lorraine Humes**
to me, Lorraine

John attached are items that I think show the CBOB is not

1. Size of committee (2 attacxhments)
2. FAI
3.Audits
4. Master Plan
5. Financial

a. Monthly financial reports
b. Change orders notification

Lack of Facilities  Fiscal Coordinator

If you have a minute, would you proof read for obvious erro

Thanks

Is this a realistic expectation? When planning for the amount of Measure R, were you basing the overall project costs on cost estimates from the 2016 Master Plan ($ 1,119.9 million). Do you get government matching funds for every project? How much is added to the budget for unforeseen costs?

Now when you are estimating costs for your projects, you are finding out that you may only be able to complete 1 ½ projects under Measure R. When the voters realize this, your credibility with them will be damaged for the next bond measure that you put on the ballot.

Wording in Measure R:

“While any Project included on this Project List may be undertaken at any of the District 's schools or sites, the District has identified 21 Priority Schools…”

“The allocation of bond proceeds will be affected by the District's receipt of State matching funds and the final costs of each project…. In the absence of State matching funds, which the District will aggressively pursue to reduce the District 's share of the costs of the projects, the District may not be able to complete all of the projects listed above. The budget for each project is an estimate and may be affected by factors beyond the District 's control.”

# H. Ad Hoc Committee Draft WCCUSD Board Policy Citizen's Bond Oversight Committee (7/19/2022)

**West Contra Costa Unified School District**
**Board Policy**
**Citizens' Bond Oversight Committee**
**BP 7214.2**
**Facilities**

## 1. BACKGROUND INFORMATION

Proposition 39, approved by California voters in the General Election of November 7, 2000, provides that the Governing Board of a school district may pursue the authorization and issuance of general obligation bonds passed by a vote of 55 percent or more of the electorate instead of a two-thirds majority.

As a result of the passage of Proposition 39, language was added to the California Education Code requiring school districts passing a bond designated as a Proposition 39 bond to ensure all the following are realized:

(a) Vigorous efforts are undertaken to ensure that all expenditures of bond revenues are in strict conformity with the law.

(b) Taxpayers directly participate in the oversight of bond expenditures.

(c) The members of the oversight committee promptly alert the public to any waste or improper expenditure of bond revenues.

(d) That the unauthorized expenditures of bond revenues are vigorously investigated, prosecuted, and that the courts act swiftly to restrain any improper expenditures.

In furtherance of the Legislature's intent, school districts passing a bond designated as a Proposition 39 bond must establish and appoint members to an independent citizens' oversight committee ("Bond Oversight Committee," "Committee," or "CBOC") to actively review and report on uses of bond revenues to ensure that they are spent only on school facilities improvements allowed under each bond measure and not for any other purpose. The Bond Oversight Committee must be established within sixty (60) days of the date that the school district's governing board enters the election results in its minutes. A school district may also establish a voluntary oversight committee for any general obligation bond adopted by a two-thirds (2/3) vote of the electorate. California Education Code Sections 15278 through 15288 govern the establishment and operation of the Bond Oversight Committee.

## 2. PURPOSE OF POLICY

West Contra Costa Unified School District ("District") voters have approved multiple Proposition 39 School Bond Measures. In accordance with legal requirements, the District has established an independent Bond Oversight Committee to provide oversight for these ballot measures.

The purpose of this policy is to (a) ensure the District meets its legal requirements related to the use of Prop 39 bond proceeds; (b) establish the policies and procedures for the form, operation, appointment and related matters of the Bond Oversight Committee; and (c) establish the District's commitment to support the Committee's efficient and effective operation.

## 3. COMMITTEE PURPOSE

The purpose of the Bond Oversight Committee shall be to inform the public concerning the expenditure of bond revenues. The Committee shall actively review and report on the proper expenditure of taxpayers' money for school construction. The Committee shall advise the public as to whether the District is in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The Committee shall convene to provide independent oversight for, but not be limited to, both of the following:

3.1. Ensuring that bond revenues are expended only for the purposes described in paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

3.2. Ensuring that, as prohibited by subparagraph (A) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, no funds are used for any teacher or administrative salaries or other school operating expenses.

## 4. COMMITTEE DUTIES & AUTHORIZED ACTIVITIES

The Bond Oversight Committee is charged by State law to ensure that bond proceeds are spent only for construction, reconstruction, rehabilitation or replacement of District facilities, including the furnishing and equipping of facilities or the acquisition or lease of real property, in compliance with the specific projects listed in the District's bond measures. The Committee shall ensure that no funds are expended for teacher or administrator salaries or other operating expenses.

4.1. Bylaws. Committee bylaws establish the operational rules to manage the operation of the Committee. These bylaws and operational rules shall be in compliance with this Board Policy and all applicable laws.

4.2. Authorized Activities. The Committee is authorized by law to engage in any of the following activities:

4.2.1. Committee Reports. The Committee shall issue regular reports on the results of its activities. The Committee is required to issue an annual report in accordance with Education Code section 15280, subsection (b). The reports will be available on the Committee's and District's websites.

4.2.2. Annual Performance Audit. Receive and review copies of the District's annual independent performance audit required by subparagraph (C) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

4.2.2.1. The firm performing the annual performance audit shall deliver the draft audit report to the Committee, or any subcommittee appointed for this purpose, at the same time the draft reports are provided to the District. The draft audit will be

available to the Committee for review and comment in advance of the publication of the final audit report no later than March 31 of each year.

4.2.2.2. The District will provide the Committee with the District's formal written management response to all findings, recommendations and concerns addressed in the performance audit.

4.2.3. Annual Financial Audit. Receive and review copies of the District's annual independent financial audit required by subparagraph (C) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

4.2.3.1. The firm performing the annual bond financial audit shall deliver the draft audit report to the Committee, or any subcommittee appointed for this purpose, at the same time the draft reports are provided to the District. The draft audit will be available to the Committee for review and comment in advance of the publication of the final audit report no later than March 31 of each year.

4.2.3.2. The District will provide the Committee with the District's formal written management response to all findings, recommendations and concerns addressed in the financial audit.

4.2.4. Inspections. Inspect school facilities and grounds to ensure bond proceeds are expended in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

4.2.4.1. Committee members' inspections or site visits must be coordinated with the CBOC Liaison. Committee member visits to any bond project job site must be conducted in accordance with all safety measures in effect at the job site and Committee members must be accompanied by a representative of the District.

4.2.5. Deferred Maintenance. Receive and review copies of any deferred maintenance proposals or plans developed by the District, including any reports required by Education Code section 17584.1.

4.2.6. Cost Saving Measures. Review efforts by the District to maximize bond revenues by implementing cost-saving measures, including, but not limited to the following as required by Education Code section 15278.5:

4.2.6.1. Mechanisms designed to reduce the costs of professional fees.

4.2.6.2. Mechanisms designed to reduce the costs of site preparation.

4.2.6.3. Recommendations regarding the joint use of core facilities.

4.2.6.4. Mechanisms designed to reduce costs by incorporating efficiencies in school site design.

4.2.6.5. Recommendations regarding the use of cost-effective and efficient reusable facility plans.

4.3. Matters not within Committee's Review. Consistent with the requirements of law including Education Code Sections 15282, subsection (b), the Committee shall serve a review function and shall not replace or impede the activity and discretionary decision making of the elected Board members, District staff or advisory committees. The Committee shall ***not*** have authority to:

4.3.1. Participate in any bond sale and issuance process or make decisions concerning the timing, terms or structure of a bond issuance, except that the Committee may review the District's plans for any bond sale and may review bond issuance documents upon the conclusion of a bond sale if desired.
4.3.2. Determine how bond proceeds will be spent.
4.3.3. Select contractors or consultants for bond projects or participate in the negotiation or bid process for such contractors and consultants.
4.3.4. Approve construction contracts and/or change orders.
4.3.5. Approve construction plans and/or schedules.
4.3.6. Require the District to prepare reports or conduct audits more frequently than those required by law.

## 5. BOND OVERSIGHT COMMITTEE MEMBERSHIP

In accordance with Education Code section 15278, subsection (a), the District's Governing Board shall establish and appoint members to the Committee.

5.1. Number. The Bond Oversight Committee shall consist of a minimum of seven (7) members and no more than eleven (11) members appointed by the Board. Five (5) members must represent distinct constituencies as mandated by Education Code section 15282:

5.1.1. one representative of the local business community;
5.1.2. one person active in a senior citizens' organization;
5.1.3. one person active in a bona fide taxpayers' organization; and
5.1.4. the parent or guardian of a child who is enrolled in the District;
5.1.5. the parent or guardian of a child enrolled in the District and active in a parent- teacher organization, such as the Parent Teacher Association or school site council.

Other members, selected by the Governing Board, will be selected at-large and based upon the applicant's professional and/or practical experience, recognition or contributions to the community; the diversity of expertise of the Bond Oversight Committee as a whole; and representation of the Committee from various communities within the District.

5.2. Prohibited Persons. The following persons shall not be appointed to the Committee pursuant to Education Code section 15282, subsection (b):

5.2.1. Employees or officials of the District; and
5.2.2. Vendors, contractors, or consultants of the District.

If, while serving on the Committee a member becomes one of the above-identified persons, the member's service on the Committee shall immediately and automatically terminate.

A Committee member cannot be removed, except for cause, i.e., illegal activity or violation of District or State regulations.
Any vacancy resulting from the termination or dismissal of a member shall be filled by the Board pursuant to its appointment process.

5.3. Term. Committee members shall serve for a term of two (2) years. Members of the Committee may be appointed by the Board, in its discretion, for no more than three (3) consecutive terms as specified by Education Code 15282, subsection (a). Committee members that have served three (3) consecutive terms shall not be appointed to the Committee again for at least two (2) years following the date the member last served as a Committee member. Members shall serve without compensation.

5.3.1. Existing Committee members that intend to serve an eligible consecutive term shall reapply to the Board for consideration pursuant to the Board's process for appointing Committee members.

5.3.2. If an existing Committee member represents one of the distinct constituencies mandated by Education Code section 15282 and during the member's term no longer qualifies for that constituency (e.g., ceases to be active within a taxpayers' organization or ceases to have a child enrolled in the District), the member shall be allowed to complete the current term, but shall not be appointed to serve any subsequent term as a representative of that constituency.

5.3.3. The Board shall use reasonable efforts to fill vacancies on the Committee within sixty (60) days of being notified of such vacancy. The Board shall fill any vacancy pursuant to the Board's process for appointing Committee members. Any person appointed to fill the vacancy shall complete the remaining term for that member position.

5.4. Solicitation and Appointment of Members.

The Superintendent or CBOC Liaison and the Committee may advertise for and solicit Applicants ("Applicants") for consideration of appointment to the Committee. The District's Bond Oversight Committee Application ("Application") shall be made publicly available to the community on the District's and Committee's website. Applicants can self-nominate by submitting an Application. The Application shall consist of the contact information, membership criteria, personal statement, and an option to provide a resume. If the Applicant is a Committee member applying to serve an additional term, the Application remains the same.

Committee members shall be selected based on merit through a transparent process and appointed pursuant to the following process:

5.4.1. Any Application submitted shall be submitted to and reviewed by the Superintendent or CBOC Liaison and CBOC Chair. If the Application meets the minimum statutory criteria, then the Applicant will be notified that they have been approved as a Candidate ("Candidate"). If the Application does not meet the minimum statutory criteria or the Application is incomplete, then the Applicant will be notified of the status of their Application.

5.4.2. The Selection Committee ("Selection Committee") shall review and may interview all Candidates.

5.4.2.1. The Selection Committee shall include five members: the CBOC Chair and a designated appointee from the CBOC, two members of the Board of Education, and the Superintendent or CBOC Liaison.

5.4.2.2. The Selection Committee shall make recommendations to the Board to assist the Board in appointing Committee members.

5.5. Ethics: Conflicts of Interest. By accepting appointment to the Bond Oversight Committee, each member must agree to comply with Articles 4 (commencing with section 1090) and 4.7 (commencing with section 1125) of Division 4 of Title 1 of the California Government Code and the Political Reform Act (Gov. Code §§ 81000 et seq.). Committee members may not hold any incompatible office or position during their term of membership. Committee members shall disclose immediately any possible or potential conflict of interest. A Committee member's failure to disclose any possible or potential conflict of interest when known or when reasonably should be known, will result in the member's removal from the Committee.

## 6. MEETINGS

6.1. All Bond Oversight Committee meetings shall be open to the public and are subject to the California Brown Act (Govt Code section 54950 et seq.). District staff, as designated by the Superintendent or designee, will be responsible for working with the chair of the Bond Oversight Committee to prepare and properly notice agendas, minutes and reports of the Bond Oversight Committee. No bond funds may be used to pay any of these expenses.

6.2. At its organizational meeting and annually thereafter, the Bond Oversight Committee will select a Chair and Vice-Chair/Secretary. Committee decisions will be made by majority vote of a quorum present and shall follow Robert's Rules. For purposes of this Committee, a quorum consists of half of the total membership plus one member. All members shall be entitled to one vote on Bond Oversight Committee recommendations.

6.3. The Bond Oversight Committee shall meet at least quarterly.

## 7. DISTRICT SUPPORT

7.1. District will provide technical and administrative assistance in furtherance of the Committee's work. No bond funds shall be used to fund any of these technical and/or administrative expenses. The District's support includes:

7.1.1. Presenting for the Committee's review, financial and project reports that will include project plans, timelines, and cost information. The Committee will also be provided with the annual performance and financial audits that are required by law. District staff shall identify the budget by fund and account code on each Board action precis that recommends the expenditure of bond funds for facility projects.

7.1.2. Providing administrative support for Committee and subcommittee meetings, if any, including assisting in preparing agenda packets, meeting logistics, meeting notes and recordings, posting agendas, minutes, and recordings to the Committee website.

7.1.3. The Associate Superintendent of Operations will serve as a Liaison to the Committee. The Superintendent and Liaison may assign such other District staff and professional service providers as needed to assist the Committee in carrying out its duties.

7.1.4. The Committee and Board may hold joint meetings during the first quarter (January through March) and third quarter (July through September) of each year.

7.1.5. The Committee will make reports to the Board in accordance with the District's policy for such matters. All recommendations approved by the Committee shall be presented to the Board of Education.

7.1.6. Providing Committee members training on the Brown Act.

7.1.7. Provide Committee members with expedited access to the District's public records by providing the Committee a specialized process for submitting a Public Records Request pursuant to the California Public Records Act. District staff will publish a monthly report summarizing the previous twelve months of all Committee requests for records.

8. **TERMINATION**. The Board shall terminate the Committee at the earlier of the date: (a) all bond proceeds have been expended; or (b) all projects funded by a bond measure are complete.

9. **ORDER OF PRECEDENCE**. In the event of a conflict between this policy, any legal or statutory requirement and any Committee bylaw, the following shall be the order of precedence: (1) legal or statutory requirement; then (2) this policy; then (3) Committee bylaws.

Board Policies Relevant to School Bond Construction Program

Board Policy 3400 Management of District Assets/Accounts and Administrative Regulation 3400

Board Policy 7000 Facilities

Legal Reference

**EDUCATION CODE**

15264-15288

**CALIFORNIA CONSTITUTION**

Article XIIIA, Section 1 (b) Article XVI, Section 18 (b)

Policy WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

adopted: August__, 2008 Richmond, California

revised: January 9, 2008

7/19/2022

DRAFT

revised: November 16, 2011

revised: May 14, 2014

revised: December 9, 2015

revised:

DRAFT

# H. Draft WCCUSD Board Policy CBOC BP 7214.1 (7/19/2022)

## a. Lorraine Humes Comments

## b. References

a. California Education Code 15278
b. California Education Code 15280
c. California Education Code 15282
d. 2014-2015 Contra Costa Civil Grand Jury Report 1514
e. 2015-2016 Contra Costa Civil Grand Jury Compliance and Continuity Report 1601
f. Existing WCCUSD Board Policy Citizen's Bond Oversight Committee BP 7214.2 Revised December 9, 2015

Agenda 8/15/2022, H(b)

## LMH Review of Proposed Board Policy 7214.2 Revision (Agenda Packet 8/1/2022)

**4. COMMITTEE DUTIES & AUTHORIZED DUTIES**

a. Items 4.2.2.1. Annual Performance Audit and 4.2.3.1. Financial Audit both deal with the CBOC and the Board receiving draft reports of the audits, in order to, review and comment on them.

This is not presently done. For instance, we did not receive draft copies of the 2021 audits. The CBOC and the Board first received the audit reports in the CBOC Agenda Packet for its May, 9, 2022 meeting (our April 11, 2002 meeting was canceled) and the Board of Education Agenda Packet for its April 27, 2022 meeting. The report findings slide presentations and the reports, received by both groups, were identical. Neither audit reports were water marked or labeled DRAFT and the Board's reports supporting document files were named 'Final Report'. Also, the Board Agenda items were under the Consent Section of the agenda with the comment that the staff recommends that the Board accept the reports. This is probably why there was no interest, by the Eide Bailly representative to change the wording in their report following our written comments and review session.

Note: The slide presentation for the report findings had a complete slide dedicated to the prior report findings and its resolution (see attachment).

My opinion:

I think we should keep the sections about receiving the draft reports in the board policy but add a section, under each audit stating:

*Following its review and comment meeting with the auditor's representatives, the CBOC will write a review of its findings to the Board. This way, if there is a difference of opinion between the auditors and the CBOC, concerning the reports, the Board will be aware of this prior to voting on accepting the report.*

We should also look at the audit contracts to see if they mention supplying drafts of their reports for review and comment.

(I also think that, since at their last meeting, due to getting a late start, the Board tabled voting on accepting the 2021 audits, that the CBOC inform the Board of our disagreement with the Eide Bailly Performance Audit representative about including the mention of the prior audit opinion and resolution in the 2021 report's scope and conclusion sections.)

b. Both 4.2.2.2 and 4.2.3.2 the Board giving the CBOC a written response to the audit findings.

At the beginning of each statement we should add the phrase:

*Within three months of receiving the audits,* the District...

This time limit is stated in Ed Code 15280, (a)(2). See attachment

c. We should add a statement about entrance and exit conferences with the auditors.

My opinion:

1. For the 2022 Performance Audit, I would have liked to have been able to make the auditor aware that the CBOC is having trouble monitoring the bond program adequately due to personnel shortages. (The personnel salaries are paid from the Bond funds.)

a. We have not had complete financial reports since February 2022. (How can you monitor for waste, fraud, and abuse in program finances without financial reports?)

b. Our 2021 audits were not presented to us until April 24, 2022 (legal deadline is March 31, 2022)
c. Our FAI implementation audits, Phase 1.5 and 2.0, will not be presented until Summer of 2022 (Phase 1 of the implementation was completed March 7, 2019)

Perhaps they could mention this problem in their report.

2. I would also have liked to explain that due to the CBOC switching from a calendar year annual report to a District fiscal year report that we will not have a 2021 Annual Report but will have a 2021 Transitional Report once the District accepts the 2021 Performance and Financial Audits.

Therefore, having had a conference with the auditor prior to them writing their report would have been helpful.

**5.3 A typo**

Term. Committee members shall serve for a term of two (2) years. Members of the Committee may be appointed by the BoardJ!:!. (should be filits discretion, for no more than three...

**5.4 Solicitation and Appointments of Members**

The Superintendent or CBOC Liaison and the Committee may advertise for and solicit Applicants ("Applicants") for consideration of appointment to the Committee. The District's Bond Oversight Committee Application ("Application") shall be made publicly available to the community on the District's and Committee's website. Applicants can self-nominate by submitting an Application. The

Application shall consist of the contact information, membership criteria, personal statement, and an option to provide a resume. If the Applicant is a Committee member applying to serve an additional term, the Application remains the same.

My opinion:

For privacy considerations, we should not have the applicant's contact information publicly available on the websites.

I suggest - The District's Bond Oversight Committee Application ("Application"), *with the applicant's personal contact information redacted,* shall be made publicly available to the community on the District's and Committee's website.

**EDUCATION CODE - EDC**

**TITLE 1 GENERAL EDUCATION CODE PROVISIONS [1. - 32500]**

*( Title 1 enacted by Stats. 1976, Ch. 1010. )*

**DIVISION 1 GENERAL EDUCATION CODE PROVISIONS [1. - 32500]**

*( Division 1 enacted by Stats. 1976, Ch. 1010. )*

**PART 10. SCHOOL BONDS [15100 - 17199.6]**

*( Part 10 repealed and added by Stats. 1996, Ch. 277, Sec. 2. )*

**CHAPTER 1.5.**

**Strict Accountability in Local School Construction Bonds Act of 2000 [15264 - 15288]**

*( Chapter 1.5 added by Stats. 2000, Ch. 44, Sec. 3. )*

**ARTICLE 2. Citizens' Oversight Committee [15278 - 15282]**

*( Article 2 added by Stats. 2000, Ch. 44, Sec. 3. )*

**15278.**

(a) If a bond measure authorized pursuant to paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution and subdivision (b) of Section 18 of Article XVI of the California Constitution is approved, the governing board of the school district or community college shall establish and appoint members to an independent citizens' oversight committee, pursuant to Section 15282, within 60 days of the date that the governing board enters the election results on its minutes pursuant to Section 15274.

(b) The purpose of the citizens' oversight committee shall be to inform the public concerning the expenditure of bond revenues. The citizens' oversight committee shall actively review and report on the proper expenditure of taxpayers' money for school construction. The citizens' oversight committee shall advise the public as to whether a school district or community college district is in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The citizens' oversight committee shall convene to provide oversight for, but not be limited to, both of the following:

(1) Ensuring that bond revenues are expended only for the purposes described in paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

(2) Ensuring that, as prohibited by subparagraph (A) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, no funds are used for any teacher or administrative salaries or other school operating expenses.

(c) In furtherance of its purpose, the citizens' oversight committee may engage in any of the following activities:

(1) Receiving and reviewing copies of the annual, independent performance audit required by subparagraph (C) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

(2) Receiving and reviewing copies of the annual, independent financial audit required by subparagraph (C) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

(3) Inspecting school facilities and grounds to ensure that bond revenues are expended in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

(4) Receiving and reviewing copies of any deferred maintenance proposals or plans developed by a school district or community college district, including any reports required by Section 17584.1.

(5) Reviewing efforts by the school district or community college district to maximize bond revenues by implementing cost-saving measures, including, but not limited to, all of the following:

(A) Mechanisms designed to reduce the costs of professional fees.

(B) Mechanisms designed to reduce the costs of site preparation.

(C) Recommendations regarding the joint use of core facilities.

(D) Mechanisms designed to reduce costs by incorporating efficiencies in schoolsite design.

(E) Recommendations regarding the use of cost-effective and efficient reusable facility plans.

*(Added by Stats. 2000, Ch. 44, Sec. 3. Effective January 1, 2001.)*

**EDUCATION CODE - EDC**

**TITLE 1 GENERAL EDUCATION CODE PROVISIONS [1. - 32500]**

*( Title 1 enacted by Stats. 1976, Ch. 1010. )*

**DIVISION 1 GENERAL EDUCATION CODE PROVISIONS [1. - 32500]**

*( Division 1 enacted by Stats. 1976, Ch. 1010. )*

**PART 10. SCHOOL BONDS [15100 - 17199.6]**

*( Part 10 repealed and added by Stats. 1996, Ch. 277, Sec. 2. )*

**CHAPTER 1.5.**

**Strict Accountability in Local School Construction Bonds Act of 2000 [15264 - 15288]**

*( Chapter 1.5 added by Stats. 2000, Ch. 44, Sec. 3. )*

**ARTICLE 2. Citizens' Oversight Committee [15278 - 15282]**

*( Article 2 added by Stats. 2000, Ch. 44, Sec. 3. )*

**15280.**

(a) (1) The governing board of the district shall, without expending bond funds, provide the citizens' oversight committee with any necessary technical assistance and shall provide administrative assistance in furtherance of its purpose and sufficient resources to publicize the conclusions of the citizens' oversight committee.

(2) The governing board of the district shall provide the citizens' oversight committee with responses to any and all findings, recommendations, and concerns addressed in the annual, independent financial and performance audits required by subparagraphs (C) and (D) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution within three months of receiving the audits.

(b) All citizens' oversight committee proceedings shall be open to the public and notice to the public shall be provided in the same manner as the proceedings of the governing board of the district. The citizens' oversight committee shall issue regular reports on the results of its activities. A report shall be issued at least once a year. Minutes of the proceedings of the citizens' oversight committee and all documents received and reports issued shall be a matter of public record and be made available on an Internet Web site maintained by the governing board of the district.

*(Amended by Stats. 2013, Ch. 91, Sec. 1. (SB 581) Effective January 1, 2014.)*

**EDUCATION CODE - EDC**

**TITLE 1 GENERAL EDUCATION CODE PROVISIONS [1. - 32500]**

*( Title 1 enacted by Stats. 1976, Ch. 1010. )*

**DIVISION 1 GENERAL EDUCATION CODE PROVISIONS [1. - 32500]**

*( Division 1 enacted by Stats. 1976, Ch. 1010. )*

**PART 10. SCHOOL BONDS [15100 - 17199.6]**

*( Part 10 repealed and added by Stats. 1996, Ch. 277, Sec. 2. )*

**CHAPTER 1.5.**

**Strict Accountability in Local School Construction Bonds Act of 2000 [15264 - 15288]**

*( Chapter 1.5 added by Stats. 2000, Ch. 44, Sec. 3. )*

**ARTICLE 2. Citizens' Oversight Committee [15278 - 15282]**

*( Article 2 added by Stats. 2000, Ch. 44, Sec. 3. )*

**15282.**

(a) The citizens' oversight committee shall consist of at least seven members who shall serve for a minimum term of two years without compensation and for no more than three consecutive terms. While consisting of a minimum of at least seven members, the citizens' oversight committee shall be comprised, as follows:

(1) One member shall be active in a business organization representing the business community located within the school district or community college district.

(2) One member shall be active in a senior citizens' organization.

(3) One member shall be active in a bona fide taxpayers' organization.

(4) For a school district, one member shall be the parent or guardian of a child enrolled in the school district. For a community college district, one member shall be a student who is both currently enrolled in the community college district and active in a community college group, such as student government. The community college student member may, at the discretion of the governing board of the community college district, serve up to six months after his or her graduation.

(5) For a school district, one member shall be both a parent or guardian of a child enrolled in the school district and active in a parent-teacher organization, such as the Parent Teacher Association or schoolsite council. For a community college district, one member shall be active in the support and organization of a community college or the community colleges of the district, such as a member of an advisory council or foundation.

(b) An employee or official of the school district or community college district shall not be appointed to the citizens' oversight committee. A vendor, contractor, or consultant of the school district or community college district shall not be appointed to the citizens' oversight committee. Members of the citizens' oversight committee shall, pursuant to Sections 35233 and 72533, abide by the prohibitions contained in

Article 4 (commencing with Section 1090) and Article 4.7 (commencing with Section 1125) of Chapter 1 of Division 4 of Title 1 of the Government Code.

*(Amended by Stats. 2013, Ch. 76, Sec. 27. (AB 383) Effective January 1, 2014.)*

**A REPORT BY**
**THE 2014-2015 CONTRA COSTA COUNTY GRAND JURY**
725 Court Street
Martinez, California 94553

**Report 1514**

# WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT:

## Bond Program & Citizens' Bond Oversight Committee

### A Case Study in Stymied Oversight

APPROVED BY THE GRAND JURY:

Date: June 11, 2015

Sherry Rufini
SHERRY RUFINI
GRAND JURY FOREPERSON

ACCEPTED FOR FILING:

Date: June 11, 2015

John T. Laettner
JOHN T. LAETTNER
JUDGE OF THE SUPERIOR COURT

Contact: Sherry Rufini
Foreperson
925-957-5638

Contra Costa County Grand Jury Report 1514

# WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT:

# Bond Program & Citizens' Bond Oversight Committee

## A Case Study in Stymied Oversight

**TO: West Contra Costa Unified School District Board of Education**

## SUMMARY

Proposition 39, officially titled the "Smaller Classes, Safer Schools and Financial Accountability Act," was approved by California voters in 2000. At the time, California was experiencing unprecedented economic and population growth.

The effect of the proposition was to reduce the voter approval rate required for school districts to issue general obligation bonds from 66 2/3% to 55%. Proposition 39 limits the use of bond proceeds to school facilities projects listed or described in the language of the ballot measure approved by the voters. The type of school facilities projects the proposition covers are "the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities."

Because of the lower voter approval requirement, Proposition 39 contains a safeguard by ensuring public oversight and accountability concerning the expenditure of facilities bond revenues. Within 60 days following voter approval of a bond, the district board is required to appoint "an independent citizens' oversight committee." The purpose of this committee is to inform the public concerning the expenditure of bond revenues. To fulfill this responsibility, the oversight committee is expressly required "to actively review and report on the proper expenditure of taxpayers' money for school construction" and to verify that the funds are being spent only for authorized purposes." The oversight committee must promptly alert the public to any waste or improper expenditure of bond funds.

Upon examination, it appears that the Board of Education of the West Contra Costa Unified School District (WCCUSD) has failed to create a truly independent and effective bond oversight committee. The system appears to have been hampered by lack of essential cooperation from the WCCUSD School District, conflicts of interest may have existed, and the School District may have imprudently spent millions of taxpayer dollars. This may have been much more than was necessary had adequate planning and budget controls been in place. For example:

- Property owners in WCCUSD pay 291% of the state average in school bond assessments on their property tax bills.
- The cost per square foot of school construction is three times the state average.
- Twenty-nine percent of the $1.1 billion (nearly $300 million) spent through June 2015 went for non-construction costs – program management and architect's fees.
- WCCUSD is running out of money well before all of its scheduled projects are completed.

WCCUSD's Citizens' Bond Oversight Committee (the "CBOC") needs to be given more independence and needs to receive reliable and timely information from the school district if it is to perform its job successfully as watchdogs of the remainder of the $1.63 billion bond revenues.

## METHODOLOGY

(See Appendix A)

## BACKGROUND

West Contra Costa Unified School District (WCCUSD), which was known as Richmond Unified School District until 1990 serves approximately 29,000 students from kindergarten through grade 12 as well as adult learners. This school district covers the cities of El Cerrito, Hercules, Pinole, Richmond, and San Pablo and the unincorporated areas of East Richmond Heights, El Sobrante, Kensington, and Bay View (which includes Montalvin Manor, North Richmond, and Tara Hills). WCCUSD is the 30th largest local education agency in California.

WCCUSD has 37 elementary schools, six middle schools, six high schools, one high school/community college (grades 9-12), four alternative high school programs (grades 9-12), two adult education campuses and one special education/early intervention campus.

In addition, WCCUSD also has five charter schools under its jurisdiction as of 2014. (See Appendix B for list of schools & enrollment)

## BILLION DOLLAR BOND PROGRAM



DeAnza High School

In recent years, school districts have increased the use of general obligation school bonds as a source of revenue. In contrast to parcel taxes and other types of bonds, which require 66 2/3% voter approval, general obligation bonds used for the purpose of constructing and improving school facilities require only 55% voter approval. The 55% voter approval rate for these bonds was the result of Proposition 39, which was passed in 2000.

WCCUSD's bond program began with passage of Measure E on June 2, 1998 and is the third largest school district bond program in California. Totaling $1,630,000,000, it includes the following six bonds, two of which were authorized before the passage of Proposition 39:

| Series | Date Approved | Principal Amount Approved | |
|---|---|---|---|
| Bond E: | 6/2/98 | $ 40,000,000 | (2/3 vote required) |
| Bond M: | 11/7/00 | 150,000,000 | (2/3 vote required) |
| Bond D: | 3/5/02 | 300,000,000 | (55% vote required) |
| Bond J: | 11/8/05 | 400,000,000 | (55% vote required) |
| Bond D: | 6/8/10 | 380,000,000 | (55% vote required) |
| Bond E: | 11/6/12 | 360,000,000 | (55% vote required) |
| **TOTAL** | | **$ 1,630,000,000** | |

Collectively, these bond measures furnish the financial resources to support WCCUSD's school construction program.

## DISCUSSION

### OVERVIEW OF CITIZENS' BOND OVERSIGHT COMMITTEES (CBOC)

The California Education Code requires that a CBOC consist of a minimum of seven members, which shall include the following five mandated categories:

One member active in a business organization representing the business community located within the district;
One member active in a senior citizens' organization;
One member active in a bona fide taxpayer's organization;
One member who is the parent or guardian of a child enrolled in the district; and
One member who is both a parent or guardian of a child enrolled in the district and active in a parent-teacher organization.

The remaining two members are "at large" community positions. Members of CBOC serve without compensation.

CBOC provides after-the-fact review and analysis of how a school district is managing its bond construction program. CBOC does not have the authority to approve how bond funds will be spent nor to select or participate in the negotiation or awarding of any construction contracts. The school district has the sole power to make all of these financial decisions related to how the bond funds are to be spent.

(See Appendix C for WCCUSD's CBOC member lists)

### PUBLICATION OF CBOC DOCUMENTS

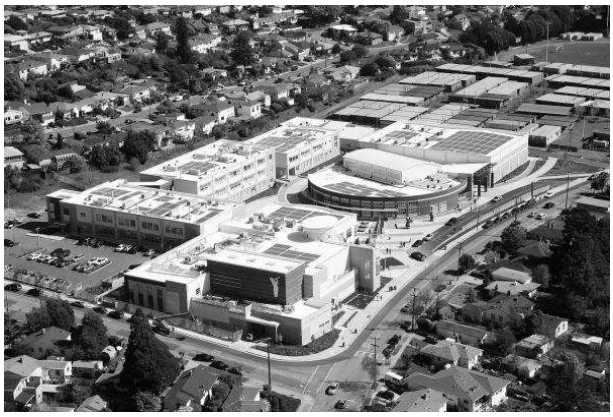
The Education Code requires that certain documents relating to a CBOC be made available to the public. Every CBOC is required to post its committee meeting's minutes, any reports it issues, and any documents it receives. The Education Code also requires a CBOC to conduct its meetings in accordance with the Brown Act. This means that meetings must be open to the public and that adequate notice be given of these meetings. The Brown Act further requires that an agenda must be posted at least 72 hours prior to regular meetings. The agenda must contain a brief general description of each item to be discussed.

(See Appendix D for Brown Act Summary)

## REVIEW OF BOND EXPENDITURES



Health Clinic, Kennedy High School



El Cerrito High School

The Education Code requires that a CBOC "actively review and report on the proper expenditure of taxpayers' money for school construction."

Section 15278(b) of the Education Code states that a CBOC shall perform "oversight" on two specific matters:

- "Ensuring that bond revenues are expended only for the purposes described in the California Constitution"; and
- "Ensuring that . . . no funds are used for any teachers or administrative salaries or other school operating expenses."

This section does not expressly limit oversight to these two matters and also gives a guideline as to activities which may advance the purpose of the CBOC.

The intent of the state legislature when enacting the *Strict Accountability in Local School Construction Bonds Act of 2000* is expressly stated in section 15264 of the California Education Code as follows:

"It is the intent of the Legislature that all of the following are realized:

(a) Vigorous efforts are undertaken to ensure that the expenditure of bond measures, including those authorized pursuant to paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, are in strict conformity with the law.
(b) Taxpayers directly participate in the oversight of bond expenditures.
(c) The members of the oversight committees appointed pursuant to this chapter promptly alert the public to any waste or improper expenditure of school construction bond money.

(d) That unauthorized expenditures of school construction bond revenues are vigorously investigated, prosecuted, and that the courts act swiftly to restrain any improper expenditures."

CBOC also has the power to request and review other financial information to determine if bond funds are being spent in a prudent and cost-effective manner by the school district. The Education Code states that it is the intent of the legislature that oversight committees "promptly alert the public to any waste, as well as the improper expenditure of school construction bond money".

## CBOC REPORTS

The Education Code requires a CBOC to issue a report of its activities and findings at least once a year. The report reviews and analyzes a school district's management of its bond construction program.

## OBSTACLES FOR WCCUSD's CBOC

While the WCCUSD Board of Education and the Superintendent intended to create attractive, safe schools that were magnets for student, parent, and community involvement, the design of the bond program was flawed. Here is a brief overview of internal and external factors affecting WCCUSD's bond program:

- The size of WCCUSD's bond program is very large and as a result required well-designed and well-executed financial controls to be successful.
- In contrast, the execution of the program fell below acceptable financial standards because of substandard budget controls and financial discipline. Budgets and school plans were not carefully reviewed to determine whether they reflected the most efficient design as opposed to the more lavish; change orders were routinely approved without reference to the approved budget but instead on the basis of community wishes or desires for "nice to have" rather than "need to have" facilities.
- Audit reports were incomplete or incorporated inaccurate data, leading to a construction program that appeared out of control through 2014.
- The bond program problems were a reflection of the broader failures in responsible financial management for a construction program of this size.

The ability of the WCCUSD CBOC to provide oversight of the bond program has been hampered by its own administrative structure and by the poor quality of information supplied to it by WCCUSD staff and Board of Education. These factors have compromised the effectiveness of the CBOC. The CBOC also faced delays and lack of cooperation from WCCUSD, which have impaired its ability to properly oversee this billion-dollar bond program.

## CBOC SIZE

While state law requires a CBOC to consist of at least seven members in mandated categories, WCCUSD's Board of Trustees ("Board of Education" or the "Board") expanded its CBOC to 19. WCCUSD's CBOC currently includes the following additional members:

- Five members who were recommended respectively by the city council for the following five cities: El Cerrito, Hercules, Pinole, Richmond, and San Pablo
- Two members residing in unincorporated areas of the district recommended respectively by the two county supervisors who have districts that overlap with WCCUSD
- Five members recommended respectively by each member of the Board of Education
- One member representing the Contra Costa Building and Construction Trades Council
- One member of Public Employees Union Local 1 (who is not a district employee)

CBOC appears to be prone to administrative inefficiencies because of the large number of board members. This has led to problems in securing quorums for meetings. The CBOC has experienced high turnover in the past decade. For example, a total of 30 individuals served as CBOC members during 2013 -2014, indicating that turnover was a problem. Some of the high turnover on the CBOC could have been the result of committee members feeling frustrated that under these circumstances their impact on the bond program would be marginal at best. Other members dropped out of CBOC to pursue other interests.

## CONFLICT OF INTEREST CONCERNS

The Education Code requires appointment of an independent CBOC; however, the school district's governing body has sole authority to approve nominations. This veto power coupled with certain un-mandated positions authorized by the Board may have created an inherent conflict of interest.

The categories below are troublesome:

- Members recommended by each member of the Board of Trustees.

  Since CBOC should operate "independently," allowing each member of the Board an appointment results in a conflict of interest since each Trustee is free to appoint a CBOC member who supports the viewpoint of that particular trustee.

- One member representing the Contra Costa Building and Construction Trades Council.

  While the Contra Costa Building and Construction Trades Council has construction industry expertise that may be valuable to the CBOC, the Council is a trade organization that has a primary interest in promoting jobs, benefits and training for its members. That interest could at times be in conflict with the interests of WCCUSD taxpayers seeking careful and prudent oversight of WCCUSD's bond funds.

## DELAYS BY SCHOOL DISTRICT

WCCUSD has not always provided financial reports to CBOC in a timely manner or in a well-organized format, allowing very little time for any thoughtful analysis.

In one recent example, CBOC received a box of records from WCCUSD only one day prior to a WCCUSD school board meeting. These records related to a proposal to approve doubling – to $7.5 million dollars – the fees paid to an architect. Although CBOC's Chair objected to this short notice and requested that this agenda item be postponed so that CBOC would have the opportunity to carefully review all the documents submitted, the Board denied this request and voted to approve the $7.5 million contract that same day.

In another example, the CBOC Audit Subcommittee Chair complained during a joint CBOC/WCCUSD public school board meeting on July 10, 2013, about WCCUSD's response to a request his subcommittee had made for information based on a performance audit. Although the information should have been readily available, five months had passed and the CBOC had yet to receive any of it. The minutes of the meeting reflected that the CBOC Chairperson also complained that "there was a lack of responsiveness and communication between the Committee and the District . . ."

In December 2014, the Chair of CBOC requested specific bond construction management contracts with Seville Group Inc. from WCCUSD's staff. Seville Group Inc. (SGI) is the longstanding program management company for the WCCUSD's bond construction program and has been paid over $86,000,000 since 2002. As of the CBOC meeting held on April 29, 2015, WCCUSD's staff still had not provided this contract information to CBOC. When the school district staff engineer was asked about this request again, he responded that he had recently complied with this request. A member of the Audit Subcommittee was quick to contradict this statement, pointing out that the documents delivered to CBOC had missing pages and noting the documents and pages that had been submitted to them were out of order.

## WCCUSD STAFF DID NOT PROVIDE REQUIRED FINANCIAL REPORTS TO CBOC

All expenditures of the school bond construction program are summarized in monthly Construction Asset Management Program (CAMP) reports, which provide detailed financial and non-financial information about bond-funded projects. WCCUSD stopped providing these reports to CBOC in early 2013. According to an independent audit, WCCUSD staff did not resume providing these reports until January 2015, which meant that CBOC operated without this vital information for almost two full years. Additionally, WCCUSD has not provided an updated Master Plan covering all the school projects completed, in-progress, or planned and budgeted by the school construction program since 2007, despite repeated requests by CBOC.

These kinds of delays and the lack of professional cooperation make it extremely difficult for CBOC to conduct any meaningful analysis. CBOC meets only once per month, making delays by the school district detrimental to the performance of its duties as a watchdog over school bond expenditures.

## INACCURATE REPORTS & RECORDS PROVIDED BY SCHOOL DISTRICT STAFF

A CBOC without timely, accurate, and comprehensive financial information lacks the ability to provide meaningful oversight of the construction program it is charged with monitoring.

The perceived ineffectiveness of the WCCUSD CBOC has been a subject of increasing public discussion in the West County area over the past year. Reports began appearing in the media about change-order-driven cost overruns that pushed the total cost of individual school construction projects significantly above the engineers' original estimates. The public in general, as well as parents who had children in the district, began to realize that some badly-needed school projects would not be undertaken given the current construction program funding limits, even though the projects had been promised at the time bonds were approved. Alleged waste and excessive costs in the management of the construction program became a topic of news and media articles. At the October 22, 2014 CBOC meeting, CBOC again was unable to effectively perform its critical duties as an oversight body because WCCUSD had not given it accurate reports and data. Several times, a member of CBOC tried to make a point about some financial aspect of the construction program, only to be told by a member of WCCUSD staff that the point was off the mark because the financial data upon which it was based was inaccurate. It appeared that little effort had been made to provide the CBOC members with sound data. In addition, malfunctioning, incompatible, and/or outdated software also caused problems in furnishing accurate data to the CBOC; however, it was clear from their questions that the CBOC members were trying to get a clear picture of the financial impact of change-order-related project cost overruns for the current period and for prior years.

At the February 23, 2015 public CBOC meeting, a CBOC member was interrupted in the middle of his presentation to be told that the numbers in a bond fund summary expenditure report that he was discussing actually contained a mixed combination of bond funds and funds from other sources. At the same meeting, a scheduled report on the status of remaining bond funds was provided by the bond manager's representative over the speakerphone while he was driving out of the area in his car. When a CBOC member asked a specific question about the report, the bond manager's representative said he was unable to answer this question because he was driving and did not have the report in front of him.

At an April 2015 public CBOC meeting, one CBOC member said he no longer had confidence in the financial reports being provided to him, especially with regard to change orders. He said he mistrusted the way WCCUSD was using a system to code the attributed cause for the overruns, and also suspected that these codes were being changed by staff somewhere in the process to provide a distorted picture of what actually occurred.

In April of 2015, a WCCUSD School District employee went public with detailed documentation showing that WCCUSD reports purportedly disclosing the financial status of school construction greatly understated actual spending. These reports allegedly misinformed CBOC members and others.



DeAnza High School

## CHANGE ORDERS

"Change orders" are requests to do additional construction work that were not included in the original contract. There have been a large number of change orders for WCCUSD's construction program. The per-pupil cost of change orders is reported to be the highest in the state. The change order total as a percent of project cost for the district is twice the state average. A performance audit conducted on the bond construction program in 2015 found that "70 percent of the overall cost of change orders was due to construction owner requested change orders." The auditor recommended that WCCUSD continue its efforts to keep owner generated change orders during construction to a minimum by performing a thorough review of the plans and drawings during the preconstruction phase.

The lack of proper attention to change orders was also reflected in the faulty and inaccurate reports on change orders that WCCUSD provided to the CBOC. A review of these reports showed that many project cost overrun totals were not timely recorded in documents that were supposed to track bond fund expenditures. Instead, WCCUSD staff often waited until each project was completed before recording all cost overrun expenses in project financial reports.

WCCUSD has provided CBOC with only charge order information for specific projects. On the recently completed Ohlone Elementary School project, change orders processed to date total $2.6 million on a $16 million project, or 16.25% of the total. This is a very high rate for new construction. If this percentage were typical of the entire $1.1 billion spent to date, it would suggest total change orders of $176,000,000.

In this case, WCCUSD records disclosed that unprocessed change orders (ones not entered into the accounting records) total close to $2 million. Instead of WCCUSD staff estimating a reasonable cost figure for change orders, a figure that should have been readily available, a zero cost was entered. This practice resulted in inaccurate, understated project costs compared to budget being included in School District financial reports provided to the CBOC.

At the April 30, 2015 public CBOC meeting, CBOC Audit Subcommittee members expressed shock during a presentation by school district staff that revealed that change order costs were routinely omitted from the financial reports provided to the CBOC. The Chair of the CBOC Change Order Investigative Subcommittee attempted to commend one of the large project construction firms after observing that the change orders for this firm showed “zero” change order cost in the project report. The School District staff engineer had to point out that the numbers shown on the report given to the CBOC members had not been updated, and that this particular contractor, contrary to what the report showed, did in fact have substantial change orders. He confirmed that these numbers had not been posted into the accounting software. When asked the dollar amount of the change orders, the school district engineer responded that he did not have those figures yet. He also confirmed the fact that this construction firm had already commenced construction work on the unrecorded change orders. One CBOC member then threw his hands up in the air and expressed outrage at the fact that they were consistently being provided “inaccurate” numbers by the school district.

As expressed at their April 30 public CBOC meeting, members of CBOC have realized that the bond program has had hundreds of change orders that were not being accounted for in a timely fashion.

According to one report noted by a CBOC member at a public CBOC meeting, there were over 400 proposed change orders in the approval queue as of March 5, 2015. One CBOC member commented at the same meeting, "I find it hard to believe that the school district still does not understand "change orders" after 16 years. We never had any reference point to even talk about change orders prior to February of 2015 of this

year!" For example, one elementary school had up to 126 change orders costing $ 2.6 million. Of this total, 76 change orders valued at nearly $1.6 million were attributed to design errors.

CBOC members demanded an immediate meeting with district staff in order to receive current and correct financial reports on the bond program, the status of accounts, and cash flow for the program.

CBOCs are required by law to produce both performance and financial audits. Records showed that two consultants who had prepared the CBOC's "Performance Audits" in recent years had apparently missed the discrepancies in the change order data.

Only with accurate financial information will CBOC be able to perform its important mission, as required by the Education Code and promised in Proposition 39.

As noted above, in April 2015, hundreds of pages of documents were produced by a WCCUSD School District employee who went public, which show numerous inaccuracies in financial reports generated as part of WCCUSD's school construction program. In response to this, a special closed session School Board meeting was immediately held with all the Board Trustee members. On April 29, 2015, WCCUSD Board President Todd Groves announced, "As a board, we are committed to pursuing an independent forensic examination of the issues raised in the complaint and we have set forth a process to do so."

## FAILURE TO PUBLISH CBOC AGENDAS

CBOC's Chairperson made numerous requests to WCCUSD staff, asking staff to post CBOC Audit Subcommittee agendas to WCCUSD's website. CBOC believed that the public should be informed of items that were to be discussed at these meetings, and therefore wanted their agendas readily available on the school website.

The WCCUSD staff representative to CBOC denied these requests and responded that he felt it wasn't necessary. CBOC then referred this request directly in writing to the School Board at the end of 2013 and included applicable Brown Act citations as well as an Internet link to an Attorney General's opinion supporting its position that CBOC Audit Subcommittee agendas should comply with Brown Act noticing requirements. Despite all these measures, no action was taken. It wasn't until a CBOC officer filed a formal complaint with the Contra Costa County District Attorney's office and almost one year later that WCCUSD agreed to post these agendas on its website. Despite agreeing to post CBOC agendas, WCCUSD controlled access to CBOC website content. For example, the CBOC Chairperson complained that WCCUSD amended the CBOC agenda for the May 2014 meeting without her consent.

## PRIOR GRAND JURY REPORT ISSUED IN 2012

The Grand Jury looked at CBOCs throughout Contra Costa County three years ago in report number 1208, issued on May 10, 2012. That Grand Jury report included a recommendation for School Boards to "provide oversight committees with complete, detailed, and comprehensive financial data relating to the expenditure of bond revenues, showing the amount of funds originally budgeted and allocated for each project, amounts expended to date and amounts committed to each project, percentage of completion of each project, and all approved or anticipated change orders."

The WCCUSD School District's response to the Grand Jury was that this recommendation "Had already been implemented." The current Grand Jury has found that this is not the case. Members of the CBOC have not received and are still not receiving the comprehensive and accurate data they need in order to provide proper oversight to the bond program, including change order totals.

The report also contained a finding that: "Districts do not consistently provide timely, adequate and independent training or resource materials for members of their bond oversight committees that explain their role, duties, and functions, or provide training in the skills needed to analyze the kinds of financial data that bond oversight committee members are asked to review." The Grand Jury report had recommended that all new members receive training and that six specific training pamphlets and manuals be provided to all CBOC members. There is no evidence that the district has responded effectively to this finding either. Current and former CBOC members stated that the school district has provided them little or no training. None of them recalled receiving any training pamphlets or manuals.

## SCHOOL BOARD FAILS TO FOLLOW SOME OF ITS OWN POLICIES

The School Board has not followed some of its own policies with respect to its CBOC, nor has it complied with certain provisions of the Education Code. Some examples of policy violations are noted below.

### CBOC Member Applications

Board Policy 7214.2 states that "applicants should submit written applications to the Superintendent and CBOC chair," but this is not being followed. No applications are being taken and no information is being communicated to the CBOC chair prior to the appointment of new members.

### Required Joint Meetings with CBOC

School Board Policy 7214.2 states that, "The Committee and Board shall hold joint meetings during the first quarter (January-March) and the third quarter (July-September) of each year." This has not always been done.

It appears that during the first quarter of 2013, no meetings were held. The first meeting of the year was not held until July 2013.

Mandated CBOC Member Category

Section 15282 (a) (2) of the California Education Code states that one of the legally mandated member categories on CBOC will be one member who is active in a senior citizen's organization.

A WCCUSD staff person had recommended an individual to represent the "Senior Citizen Organization" category on CBOC, which the School Board later approved. When a concerned citizen inquired and asked for a copy of the application that had been submitted, they were told that none had been provided. When the citizen had asked "which" Senior Citizen organization this person represented, the school district replied in a written memo, "none".

This appears to be a violation of the California Education Code section 15282(a)(2).

## CLOSING REMARKS

With six school bond measures appearing on the property tax bills of residents, a seventh school bond - Measure H - was on the ballots of WCCUSD voters in 2014. Passage of Measure H would have authorized WCCUSD to issue an additional $270 million of general obligation bonds. This debt would have increased property taxes in the district by approximately $36 per year per $100,000 of assessed valuation and would not have been paid off until 2055.

This bond measure was defeated at a time when public concern about the management of the building program appeared to be growing. There were various reports in the press that there was not going to be enough money to build or modernize many of the schools – as many as twelve – which had been promised. Furthermore, statutory limits on district indebtedness as a percentage of real estate assessed valuation prevent the district from selling all of the bonds which have already been approved. With the defeat of Measure H and the election of two new school board trustees in November 2014, it became clear that unqualified public support for the district and its construction program was no longer the case. The two new school board trustees have made it clear that prudent financial planning and construction priority planning are to be essential features of the program in the future. They have blocked almost half a million dollars' worth of change orders to eight school construction projects and refused to approve $2.3 million in charges from Seville Group Inc. (SGI) – the bond management construction firm for the school district bond construction program - on the grounds that they had not been provided adequate information about the reasons for these expenditures.

There are now some signs of change in the course of the WCCUSD's school bond construction program; however, these changes follow years of poor fiscal controls and a lack of cooperation with a CBOC whose task it was to monitor and report on the expenditure of public funds.

## FINDINGS

F1. The WCCUSD school board appoints CBOC members who oversee it, which may make CBOC members feel beholden to WCCUSD board members, which may result in an inherent conflict of interest.

F2. CBOC membership is currently set at 19, which makes it difficult to reach a quorum or to get business done with so many voices to be heard at meetings.

F3. The School Board had added a discretionary category for a member of the Public Employees Union Local 1 on CBOC.

F4. WCCUSD did not agree to post CBOC's meeting materials on its website when requested to do so by CBOC.

F5. WCCUSD has complete control over CBOC's website.

F6. WCCUSD has denied CBOC's requests for access to CBOC's website and rejected CBOC's suggestions.

F7. WCCUSD has not always timely furnished financial reports to CBOC, allowing CBOC very little time for any thoughtful analysis.

F8. Financial reports provided by WCCUSD to CBOC are not always accurate and complete.

F9. WCCUSD and the School Board were not in compliance with law in refusing to support CBOC's requests for public posting of CBOC agendas and minutes on WCCUSD's website.

F10. WCCUSD has not consistently provided timely, adequate and independent training for new CBOC members. Recommended training manuals and pamphlets have not been furnished to CBOC members.

F11. CBOC had lacked a member who was active in a senior citizen's organization.

F12. The School Board has not always required an application before approving CBOC members.

## RECOMMENDATIONS

R1. The School Board should eliminate the following six member positions from CBOC at the expiration of their terms, to eliminate any concerns about conflicts of interest.

- Five members, one recommended by each member of the Board of Education
- One member representing the Contra Costa Building and Construction Trades Council.

R2. The School Board should change the School Board discretionary category of "Public Employees Union Local 1" to that of an "at large" position from the general community in order to allow for a greater pool of qualified candidates to apply.

R3. The School Board should create an independent selection committee to select new nominees for CBOC, comprised of the CBOC Chair and a designated appointee from CBOC, two members from the Board of Education, and School Superintendent or designee, for a committee of five. Selection should be based on merit and be a transparent process to ensure public confidence in this vital selection process.

R4. WCCUSD should provide CBOC members with complete, detailed and comprehensive financial data relating to the expenditure of bond revenues and items put to vote on the board agenda at least 7 days in advance of the board meetings, in order to permit meaningful and effective review and oversight.

R5. WCCUSD should allow CBOC full access to the CBOC website.

R6. WCCUSD should not change or add items to CBOC's website without the permission of the CBOC chair.

R7. WCCUSD should provide CBOC with accurate, understandable and timely financial and non-financial reports concerning bond funded projects as well as other relevant information requested on the bond construction program at least monthly.

R8. WCCUSD should provide CBOC with a comprehensive master plan for the school construction projects within the next three months and as requested by CBOC.

R9. WCCUSD should provide timely and comprehensive training to all new CBOC members on a timely basis. The following training materials, at a minimum, should be provided to all new CBOC members within one week of their appointment:

(a) California League of Bond Oversight Committee recommended Best Practices
(b) San Diego County Taxpayers Association "Oversight Committee Best Practices" Guide
(c) California Coalition for Adequate School Housing "Proposition 39 - Best Practices Handbook"
(d) Little Hoover Commission 2009 Report "Bond Spending: Expanding and

Enhancing Oversight"
(e) California League of Cities "A Guide to The Ralph M. Brown Act"
(f) State Controller's Office 2011 Audit Report on the Los Angeles Community College District's bond construction program

R10. The School Board should follow all of its policies.

R11. The School Board should ensure that the CBOC contains a member from each category required by California Education Code Section 15282.

## REQUIRED RESPONSES

| | **Findings** | **Recommendations** |
|---|---|---|
| WCCUSD School Board of Education | 1-12 | 1-11 |

# APPENDIX A

## METHODOLOGY

Information in this report was obtained from the following:

- Interviews of past and present CBOC members, past and present WCCUSD School Board members ("Trustees"), WCCUSD School District Staff
- On-line internet documents, newspaper articles, internet posts on CBOC and WCCUSD websites
- Written testimony to the Hoover Commission
- Complaint filed with the local Contra Costa District Attorney's office
- Relevant California Education and Penal codes
- Proposition 39
- WCCUSD School Board policies
- Minutes/Agendas of meetings of CBOC, Minutes/Agendas of meetings of the School Board WCCUSD) - 2013, 2014, 2015
- CBOC Monthly Financial Reports - 2015
- Items Requiring Board Attention memos - 2015
- Bond Program Project Status reports - 2015
- CBOC 2014 Annual Report
- WCCUSD CBOC - Audit Subcommittee Performance Audit Reports - 2014
- California League of Bond Oversight Committees' (CalBOC) - Newsletters "CaLBOC Review" - 2015
- Documents submitted at CBOC and School Board meetings 2014, 2015
- WCCUSD audited financial statements for 2012, 2013, and 2014 years
- WCCUSD adopted budgets for 2012-13, 2013-14, and 2014-15
- CBOC membership lists for 2007-2015 years
- List of WCCUSD enrollment figures for 2012-13, 2013-14 and 2014-15 years
- Annual reports issued by CBOC for 2011, 2012, and 2013 years Memos/correspondence between WCCUSD and CBOC and public, 2013, 2014, 2015
- Statement of Economic Interests – CA. Form 700 filed by School Board members 2009-2014 years
- Proposition 39 – Best Practices Handbook
- Senate Bill 1473 on School Facilities Bond Proceeds: Performance Audits, Government Auditing Standards
- 2011 Revision Handbook, Senate Bill 584 – School Facilities
- Financial and Performance Audits (2013-2014)
- Responses filed by school district to performance audits 2013-2014 years
- California Legislative summaries
- WCCUSD Contract Documents for Request for Proposals

- WCCUSD Responses to Request for Proposal Independent Bond Performance Audit Services
- Correspondence from WCCUSD's law firm on various bond construction program issues, 2014, 2015
- Independent Auditor's Report – issued by Crow Horwath
- Settlement and General Release Contract by WCCUSD and former district staff
- Correspondence from U.S. Securities and Exchange Commission with WCCUSD
- WCCUSD Agreement for Special Contract Services, School Bond Transparency in San Diego County Manual
- Chapter 294 Laws of 2010
- "Independent financial and performance audits shall be conducted in accordance with Government Auditing Standards" - issued by Comptroller General of the United States
- Chapter 167 Laws of 2013 Education Audits Appeals Panel
- Summary of CalBOC Legislative History
- May 2014, Vavrinek, Trine, Day & Co.
- LLP Response to Request for Proposal Independent Bond Performance Audit Services, March 20, 2014
- Selection of Performance Auditor fiscal year 2014-2015 memos
- Scope of Services Memo for the 2013-2014 Performance Audit
- Performance Audit Scope, fiscal year 2013-2014
- Measure J (2005) and D (2010) Performance Audit – 2013
- CBOC Annual Report 2013
- U.S. Securities and Exchange Commission subpoena – July 2014
- Letter Contra Costa County Superintendent of Schools, dated September 2014 for Charles Ramsey legal representation for SEC investigation
- Education Code section 15280
- Civil Grand Jury Report 1208
- No on Measure H Bond Measure- June 2014
- Performance audit standards SB 584 – August 2014 (Chapter 167 Laws of 2014)
- Citizens' Bond Oversight Committee Board Policy 7214.2
- CBOC Education Code 15278-15282
- Education Code 15284-15288 Bond Accountability
- Chau Fair Political Practices Commission Complaint – October 2014
- Kronenberg Fair Political Practices Commission Complaint – October 2014
- Performance audit professional services staffing plan for the bond program and program management – June 2008, 2010, 2011, 2012, & 2013
- School Construction Summary – December 2013
- Design and Construction Costs and Budgets for 2011, 2012, 2013
- CBOC Performance Audit reports for 2007, 2008, 2009, 2010, 2011, 2012, 2013, and 2014.
- SGI contracts with the school district from 2001 to present
- Change order requests from contractors, architects-2014, 2015

- California Government Code Sections 54950 – 54960.5 (Brown Act)
- Documents given to Vavrinek, Trine, Day & Company LLP (VTD) for the fiscal year 2014 Performance Audit and "Agreed Upon Procedures"
- 2014 Capital Management Plan (CAMP) reports
- Construction and Architect Contracts - 2014
- July 2014 Key Performance Indicators Summary (KPI) report on expenditures given to CBOC
- July 2014 Bonds KPI Summary Report
- 2014 Project Budget reports
- 2014 Active Project Budgets
- 2014 Actual Costs by Measure reports
- 2014 School District internal tracking of Board budget authorizations
- 2014 Historical Program Budgets
- 2014 Total Bond Program Budgets
- 2014 Project Ledger Reconciliation reports
- 2014 Project Reconciliation Details reports
- 2014 Project Ledger Summary reports
- 2015 Project Ledger Summary Reconciliation reports
- Costs by Bond Measure Report - 2014

MEETINGS ATTENDED:

Attendance at CBOC meetings of three different school districts in Contra Costa Counties:
Attended five WCCUSD-CBOC meetings
Attendance at CBOC meeting of San Ramon Valley Unified School District
Attendance at CBOC meeting of Acalanes Union School District.
Attendance at WCCUSD School Board meeting
Attendance of California League of Bond Oversight Committees (CalBOC) Annual Statewide Conference - May 2015

# APPENDIX B

West Contra Costa Unified School District
Enrollment as of January 2015

| SCHOOL | REGULAR EDUCATION | | | | | | | | | | SPECIAL ED | | | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | TK | K | 1 | 2 | 3 | 4 | 5 | 6 | 1-6 | Pre-Schl | TK-6 | TOTAL SP.ED | |
| **ELEMENTARY:** | | | | | | | | | | | | | |
| BAYVIEW | 21 | 89 | 114 | 104 | 104 | 89 | 82 | 81 | 574 | 0 | 0 | **0** | 684 |
| CHAVEZ | 22 | 62 | 80 | 92 | 96 | 99 | 84 | 62 | 513 | 0 | 18 | **18** | 615 |
| COLLINS | 0 | 49 | 46 | 48 | 61 | 47 | 51 | 52 | 305 | 16 | 22 | **38** | 392 |
| CORONADO | 24 | 45 | 68 | 74 | 65 | 56 | 54 | 44 | 361 | 0 | 0 | **0** | 430 |
| DOVER | 24 | 96 | 125 | 123 | 95 | 99 | 119 | 87 | 648 | 0 | 0 | **0** | 768 |
| DOWNER | 21 | 86 | 82 | 96 | 95 | 99 | 87 | 66 | 525 | 15 | 18 | **33** | 665 |
| ELLERHORST | 0 | 38 | 49 | 49 | 44 | 57 | 51 | 54 | 304 | 0 | 32 | **32** | 374 |
| FAIRMONT | 0 | 74 | 75 | 84 | 82 | 75 | 76 | 74 | 466 | 8 | 33 | **41** | 581 |
| FORD | 24 | 68 | 75 | 82 | 58 | 66 | 56 | 54 | 391 | 7 | 0 | **7** | 490 |
| GRANT | 23 | 71 | 77 | 84 | 83 | 66 | 76 | 39 | 425 | 0 | 41 | **41** | 560 |
| HANNA RANCH | 0 | 71 | 76 | 88 | 80 | 77 | 85 | 0 | 406 | 0 | 0 | **0** | 477 |
| HARDING | 20 | 39 | 38 | 50 | 37 | 45 | 59 | 40 | 269 | 0 | 45 | **45** | 373 |
| HIGHLAND | 0 | 71 | 68 | 64 | 73 | 62 | 63 | 48 | 378 | 0 | 25 | **25** | 474 |
| KENSINGTON | 0 | 65 | 71 | 71 | 71 | 86 | 93 | 54 | 446 | 0 | 7 | **7** | 518 |
| KING | 0 | 72 | 75 | 67 | 62 | 62 | 55 | 46 | 367 | 8 | 25 | **33** | 472 |
| LAKE | 21 | 45 | 50 | 67 | 69 | 72 | 58 | 48 | 364 | 0 | 1 | **1** | 431 |
| LINCOLN | 0 | 66 | 83 | 68 | 73 | 66 | 51 | 58 | 399 | 0 | 0 | **0** | 465 |
| LUPINE HILLS | 23 | 61 | 50 | 63 | 53 | 68 | 55 | 0 | 289 | 0 | 41 | **41** | 414 |
| MADERA | 0 | 74 | 64 | 74 | 73 | 86 | 70 | 70 | 437 | 0 | 8 | **8** | 519 |
| MIRA VISTA K-5 | 0 | 46 | 50 | 50 | 48 | 58 | 60 | 0 | 266 | 7 | 39 | **46** | 358 |
| MONTALVIN | 22 | 62 | 72 | 68 | 49 | 57 | 51 | 52 | 349 | 8 | 1 | **9** | 442 |
| MURPHY | 0 | 72 | 73 | 71 | 71 | 59 | 59 | 49 | 382 | 0 | 45 | **45** | 499 |
| NYSTROM | 21 | 90 | 80 | 79 | 75 | 63 | 59 | 50 | 406 | 0 | 0 | **0** | 517 |

| | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| OHLONE | 0 | 52 | 64 | 51 | 50 | 57 | 64 | 0 | 286 | 0 | 18 | **18** | 356 | | | | | |
| OLINDA | 24 | 40 | 49 | 43 | 47 | 38 | 54 | 28 | 259 | 0 | 0 | **0** | 323 | | | | | |
| PERES | 20 | 61 | 76 | 79 | 79 | 73 | 74 | 62 | 443 | 14 | 7 | **21** | 545 | | | | | |
| RIVERSIDE | 0 | 47 | 60 | 65 | 66 | 63 | 58 | 50 | 362 | 7 | 11 | **18** | 427 | | | | | |
| SHANNON | 23 | 42 | 52 | 44 | 41 | 42 | 35 | 40 | 254 | 7 | 24 | **31** | 350 | | | | | |
| SHELDON | 23 | 39 | 52 | 56 | 60 | 60 | 48 | 48 | 324 | 0 | 10 | **10** | 396 | | | | | |
| STEGE | 24 | 46 | 44 | 50 | 40 | 37 | 41 | 47 | 259 | 0 | 0 | **0** | 329 | | | | | |
| STEWART K-5 | 0 | 51 | 43 | 47 | 48 | 56 | 61 | 0 | 255 | 0 | 0 | **0** | 306 | | | | | |
| TARA HILLS | 0 | 63 | 47 | 61 | 91 | 83 | 79 | 78 | 439 | 9 | 44 | **53** | 555 | | | | | |
| VALLEY VIEW | 0 | 26 | 61 | 44 | 48 | 43 | 44 | 35 | 275 | 0 | 22 | **22** | 323 | | | | | |
| VERDE | 0 | 51 | 48 | 60 | 48 | 46 | 38 | 32 | 272 | 0 | 0 | **0** | 323 | | | | | |
| WASHINGTON | 0 | 65 | 74 | 72 | 74 | 64 | 61 | 40 | 385 | 0 | 27 | **27** | 477 | | | | | |
| WILSON | 0 | 70 | 70 | 60 | 71 | 73 | 73 | 42 | 389 | 0 | 39 | **39** | 498 | | | | | |
| | | | | | | | | | | | | | | | | | | |
| **OTHER SCHOOLS:** | | | | | | | | | | | | | | | | | | |
| HARBOUR WAY | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | **0** | 1 | | | | | |
| HOME TEACH-EL | 0 | 1 | 1 | 1 | 0 | 1 | 0 | 0 | 3 | 0 | 1 | **1** | 5 | | | | | |
| VISTA ELM IND STDY | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 0 | 0 | **0** | 1 | | | | | |
| CAMERON/KNOLLS | | | | | | | | | | 281 | | **281** | 281 | | | | | |
| CAMERON/SDC | | | | | | | | | | 23 | | **23** | 23 | | | | | |
| INFANT/LIFT | | | | | | | | | | 61 | | **61** | 61 | | | | | |
| **TOTAL ELEMENTARY** | **380** | **2,166** | **2,382** | **2,449** | **2,381** | **2,350** | **2,285** | **1,630** | **13,477** | **471** | **604** | **1,075** | 17,098 | | | | | |
| | | | | | | | | | **13,477** | | | | **17,098** | | | | | |
| **SCHOOL** | | **6** | **7** | **8** | **9** | **10** | **11** | **12** | **7-8** | | **9-12** | **SP.ED** | TOTAL | | | | | |
| **MIDDLE SCHOOLS:** | | | | | | | | | | | | | | | | | | |
| HARBOUR WAY | | 1 | 2 | 6 | 0 | 0 | 0 | 0 | 8 | | 0 | **0** | 9 | | | | | |
| HELMS | | 0 | 486 | 506 | 0 | 0 | 0 | 0 | 992 | | 0 | **39** | 1,031 | | | | | |
| HERCULES MIDDLE | | 179 | 228 | 206 | 0 | 0 | 0 | 0 | 434 | | 0 | **29** | 642 | | | | | |
| JUAN CRESPI | | 0 | 272 | 291 | 0 | 0 | 0 | 0 | 563 | | 0 | **32** | 595 | | | | | |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| KOREMATSU | 0 | 257 | 247 | 0 | 0 | 0 | 0 | 504 | | 0 | **36** | 540 |
| LOVONYA DeJEAN | 0 | 290 | 286 | 0 | 0 | 0 | 0 | 576 | | 0 | **39** | 615 |
| MIRA VISTA 6-8 | 59 | 57 | 61 | 0 | 0 | 0 | 0 | 118 | | 0 | **6** | 183 |
| PINOLE JR | 0 | 265 | 274 | 0 | 0 | 0 | 0 | 539 | | 0 | **39** | 578 |
| STEWART | 57 | 55 | 55 | 0 | 0 | 0 | 0 | 110 | | 0 | **0** | 167 |
| | | | | | | | | | | | | |
| **HIGH SCHOOLS:** | | | | | | | | | | | | |
| DE ANZA | 0 | 0 | 0 | 341 | 294 | 294 | 220 | 0 | 1,149 | **89** | 1,238 | |
| EL CERRITO | 0 | 0 | 0 | 342 | 330 | 309 | 278 | 0 | 1,259 | **92** | 1,351 | |
| HERCULES HIGH | 0 | 0 | 0 | 201 | 262 | 220 | 206 | 0 | 889 | **45** | 934 | |
| KENNEDY | 0 | 0 | 0 | 243 | 229 | 176 | 154 | 0 | 802 | **53** | 855 | |
| MIDDLE COLLEGE | 0 | 0 | 0 | 74 | 67 | 64 | 62 | 0 | 267 | **0** | 267 | |
| PINOLE VALLEY | 0 | 0 | 0 | 308 | 270 | 286 | 278 | 0 | 1,142 | **60** | 1,202 | |
| RICHMOND (Inc Apps) | 0 | 0 | 0 | 368 | 386 | 346 | 312 | 0 | 1,412 | **68** | 1,480 | |
| **CONTINUATION ED:** | | | | | | | | | | | | |
| GATEWAY | **0** | 0 | 0 | 0 | 5 | 14 | 79 | 0 | 98 | **1** | 99 | |
| GOMPERS | 0 | 0 | 0 | 3 | 11 | 54 | 68 | 0 | 136 | **1** | 137 | |
| NORTH CAMPUS | 0 | 0 | 0 | 5 | 13 | 64 | 104 | 0 | 186 | **0** | 186 | |
| **OTHER SCHOOLS:** | | | | | | | | | | | | |
| HOME TCH SEC | 2 | 2 | 2 | 6 | 6 | 12 | 19 | 4 | 43 | **11** | 60 | |
| TRANSITION | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | **130** | 130 | |
| VISTA HIGH | 0 | 10 | 8 | 12 | 41 | 58 | 72 | 18 | 183 | **2** | 203 | |
| **TOTAL SECONDARY** | **298** | **1,924** | **1,942** | **1,903** | **1,914** | **1,897** | **1,852** | **3,866** | **7,566** | **772** | **12,502** | |

**SUMMARY**

| | |
|---|---|
| TRANSTION | |
| KINDERGARTEN | 380 |
| **KINDERGARTEN** | **2,166** |
| **GRADES 1 - 6** | **13,477** |

| | | |
|---|---|---|
| GRADES 6 MIDDLE | | 298 |
| GRADES 7 - 8 | | 3,866 |
| GRADES 9 - 12 | | 7,566 |
| SPECIAL EDUCATION | | |
| Preschool | 471 | |
| TK- 13 | 1,376 | |
| TOTAL SP ED | | 1,847 |
| TOTAL | | 29,600 |

# APPENDIX C

## CBOC MEMBERSHIP ROSTERS FOR 2015, 2014, 2013

- **April 22, 2015**
- **July 22, 2014**
- **March 14, 2014**
- **April 11, 2013**

***The Grand Jury commends those who have selflessly devoted much time and effort to CBOC***



**West Contra Costa Unified School District** **4/22/15**
**Citizens' Bond Oversight Committee for Measure D (2002), J (2006), D (2010), and E (2012): Membership by Categories**

| No.[1] | Category [2] | Recommended By | Member Name | Office | Dates Board Approved | Current Term End Date | First Second or Third Term? |
|---|---|---|---|---|---|---|---|
| 1 | Business Organization * | Business Organization | Tom Waller | | 9/19/12, 8/13/14 | 9/18/16 | Second |
| 2 | Senior Citizen Organization * | Senior Citizen Organization | Antonio Medrano | | 3/4/15 | 11/4/15 | First |
| 3 | Taxpayers' Organization * | Taxpayers' Organization | Tashia Flucas | | 12/11/13 | 12/10/15 | First |
| 4 | Parent or Guardian * | Superintendent | Kelvin Love | | 11/6/13 | 11/5/15 | First |
| 5 | Parent/Guardian & PTA* | PTA | Marianne Harrison | | 1/8/14 | 1/7/16 | First |
| 6 | El Cerrito | City Council | Orlandus Waters | Vice Chair | 4/13/13, 4/22/15 | 4/21/17 | Second |
| 7 | Hercules | City Council | Christine Kelley | | 2/11/15 | 3/10/16 | First |
| 8 | Pinole | City Council | Maureen Toms | | 1/8/14 | 1/7/16 | First |
| 9 | Richmond | City Council | Margaret Browne | | 9/17/14 | 9/16/16 | First |
| 10 | San Pablo | City Council | Charlene Harlan-Ogbeide | | 11/12/14 | 11/11/16 | First |
| 11 | Unincorporated Area | Supervisor Glover | **Vacant (Since 4/9/15)** | | | | |
| 12 | Unincorporated Area | Supervisor Gioia | Peter Chau | Secretary | 4/23/14 | 4/22/16 | First |
| 13 | Board of Trustees WCCUSD | Trustee Kronenberg | **Vacant (Since 4/2015)** | | | | |
| 14 | Board of Trustees WCCUSD | Trustee Groves | Ivette Ricco | Chair | 6/2/10, 6/13/12, 6/11/14 | 6/1/16 | Third |
| 15 | Board of Trustees WCCUSD | Trustee Cuevas | **Vacant (since 1/2015)** | | | | |
| 16 | Board of Trustees WCCUSD | Trustee Block | Anton Jungherr | | 2/11/15 | 2/10/17 | First |
| 17 | Board of Trustees WCCUSD | Trustee Enos | Stephen Purser | | 1/8/14 | 1/7/16 | First |
| 18 | Building Trades | Building Trades Council | Dennis Hicks | | 8/12/13 | 8/11/15 | First |
| 19 | Public Employees Union | PEU Local 1 | Madeleine Jen Kin | | 2/11/15 | 2/10/17 | First |

* Required positions under Proposition 39 [Education Code section 15282 (a)]

Superintendent's Designee: Lisa LeBlanc
Board Liaison: Liz Block

| Description | Number |
|---|---|
| Authorized Positions | 19 |
| Filled Positions | 16 |
| Vacant Positions | 3 |
| Quorum Requirement | 9 |

[1] Position numbers were assigned by the CBOC for reference purposes only
[2] Proposition 39, CBOC was established by the Board of Education on April 9, 2003. All appointments are made by the Board of Education. Terms are for two (2) years with a maximum of three consecutive terms.

**West Contra Costa Unified School District**
**Citizens' Bond Oversight Committee for Measures M, D, J, D (2010), and E (2012): Membership by Categories**

**Updated 7/22/14**

| No.[1] | Category [2] | Recommended By | Member Name | Office | Dates Board Approved | Current Term End Date | First or Second Term? |
|---|---|---|---|---|---|---|---|
| 1 | Business Organization * | Business Organization | Tom Waller | | 9/19/12 | 9/18/14 | First |
| 2 | Senior Citizen Organization * | Senior Citizen Organization | James Oakley | | 11/6/13 | 11/5/15 | First |
| 3 | Taxpayers' Organization * | Taxpayers' Organization | Tashia Flucas | | 12/11/13 | 12/10/15 | First |
| 4 | Parent or Guardian * | Superintendent | Kelvin Love | | 11/6/13 | 11/5/15 | First |
| 5 | Parent/Guardian & PTA* | PTA | Marianne Harrison | | 1/8/14 | 1/7/16 | First |
| 6 | El Cerrito | City Council | Orlandus Waters | Vice Chair | 4/13/13 | 4/12/15 | First |
| 7 | Hercules | City Council | Bill Kelly | | 3/12/14 | 3/11/16 | First |
| 8 | Pinole | City Council | Maureen Toms | | 1/8/14 | 1/7/16 | First |
| 9 | Richmond | City Council | **Vacant (since 10/2013)** | | | | |
| 10 | San Pablo | City Council | **Vacant (since 12/2013)** | | | | |
| 11 | Unincorporated Area | Supervisor Glover | Norma Martinez-Rubin | | 4/10/13 | 4/9/15 | First |
| 12 | Unincorporated Area | Supervisor Gioia | Peter Chau | | 3/26/14 | 3/25/16 | First |
| 13 | Board of Trustees WCCUSD | Trustee Kronenberg | Tim Warner | | 3/21/12, 3/12/14 | 3/20/16 | Second |
| 14 | Board of Trustees WCCUSD | Trustee Groves | Ivette Ricco | Chair | 6/2/10, 6/13/12, 6/12/14 | 6/11/16 | Third |
| 15 | Board of Trustees WCCUSD | Trustee Merriweather | Charles Cowens | Secretary | 1/5/11, 12/12/12 | 1/4/15 | Second |
| 16 | Board of Trustees WCCUSD | Trustee Ramsey | Ken Jett | | 2/13/13 | 2/12/15 | First |
| 17 | Board of Trustees WCCUSD | Trustee Enos | Stephen Purser | | 1/8/14 | 1/7/16 | First |
| 18 | Building Trades | Building Trades Council | Dennis Hicks | | 8/12/13 | 8/11/15 | First |
| 19 | Public Employees Union | PEU Local 1 | **Vacant (since 6/2014)** | | | | |

**Superintendent's Designee:**
**Board Member Liaison:** Charles Ramsey

* Required positions under Proposition 39 [Education Code section 15282 (a)]

[1] Position numbers were assigned by the CBOC for reference purposes only
[2] CBOC was established by the Board of Education on April 9, 2003. All appointments are made by the Board of Education. Terms are currently for two (2) years with a maximum of two consecutive terms.

**West Contra Costa Unified School District**
**Citizens' Bond Oversight Committee for Measures M, D, J, D (2010), and E (2012): Membership by Categories**

**Updated 3/14/14**

| No.[1] | Category [2] | Recommended By | Member Name | Office | Dates Board Approved | Current Term End Date | First or Second Term? |
|---|---|---|---|---|---|---|---|
| 1 | Business Organization * | Business Organization | Tom Waller | | 9/19/12 | 9/18/14 | First |
| 2 | Senior Citizen Organization * | Senior Citizen Organization | James Oakley | | 11/6/13 | 11/5/15 | First |
| 3 | Taxpayers' Organization * | Taxpayers' Organization | Tashia Flucas | | 12/11/13 | 12/10/15 | First |
| 4 | Parent or Guardian * | Superintendent | Kelvin Love | | 11/6/13 | 11/5/15 | First |
| 5 | Parent/Guardian & PTA* | PTA | Marianne Harrison | | 1/8/14 | 1/7/16 | First |
| 6 | El Cerrito | City Council | Orlandus Waters | Vice Chair | 4/13/13 | 4/12/15 | First |
| 7 | Hercules | City Council | Bill Kelly | | 3/12/14 | 3/11/14 | First |
| 8 | Pinole | City Council | Maureen Toms | | 1/8/14 | 1/7/16 | First |
| 9 | Richmond | City Council | **Vacant (since 10/2013)** | | | | |
| 10 | San Pablo | City Council | **Vacant (since 12/2013)** | | | | |
| 11 | Unincorporated Area | Supervisor Glover | Norma Martinez-Rubin | | 4/10/13 | 4/9/15 | First |
| 12 | Unincorporated Area | Supervisor Gioia | Peter Chau | | 1/8/14 | 1/7/16 | First |
| 13 | Board of Trustees WCCUSD | Trustee Kronenberg | Tim Warner | | 3/21/12, 3/12/14 | 3/20/14 | Second |
| 14 | Board of Trustees WCCUSD | Trustee Groves | Ivette Ricco | Chair | 6/2/10, 6/13/12 | 6/1/14 | Second |
| 15 | Board of Trustees WCCUSD | Trustee Merriweather | Charles Cowens | Secretary | 1/5/11, 12/12/12 | 1/4/15 | Second |
| 16 | Board of Trustees WCCUSD | Trustee Ramsey | Ken Jett | | 2/13/13 | 2/12/15 | First |
| 17 | Board of Trustees WCCUSD | Trustee Enos | Stephen Purser | | 1/8/14 | 1/7/16 | First |
| 18 | Building Trades | Building Trades Council | Dennis Hicks | | 8/12/13 | 8/11/15 | First |
| 19 | Public Employees Union | PEU Local 1 | Julio Arroyo | | 10/19/11, 11/6/13 | 10/18/15 | Second |

**Superintendent's Designee:** Bill Fay
**Board Member Liaison:** Charles Ramsey

* Required positions under Proposition 39 [Education Code section 15282 (a)]

[1] Position numbers were assigned by the CBOC for reference purposes only
[2] CBOC was established by the Board of Education on April 9, 2003. All appointments are made by the Board of Education. Terms are currently for two (2) years with a maximum of two consecutive terms.

**West Contra Costa Unified School District**
**Citizens' Bond Oversight Committee for Measures M, D, J, D (2010), and E (2012): Membership by Categories**

**Updated 4/11/13**

| No.[1] | Category [2] | Recommended By | Member Name | Officer? | Date Board Approved | Current Term Start Date | Current Term End Date | First or Second Term? |
|---|---|---|---|---|---|---|---|---|
| 1 | Business Organization * | Business Organization | Tom Waller | | 9/19/12 | 9/12 | 9/18/14 | First |
| 2 | Senior Citizen Organization * | Senior Citizen Organization | Joe Fisher | | 9/21/11 | 9/11 | 9/20/13 | First |
| 3 | Taxpayers' Organization * | Taxpayers' Organization | Kris Hunt | | 3/21/12 | 3/12 | 3/20/14 | First |
| 4 | Parent or Guardian * | Superintendent | **Vacant** | | | | | |
| 5 | Parent/Guardian & PTA* | PTA | **Vacant** | | | | | |
| 6 | El Cerrito | City Council | Orlandus Waters | | 4/13/13 | 4/13 | 4/12/15 | First |
| 7 | Hercules | City Council | Gerard Boulanger | | 11/2/11 | 11/11 | 11/1/13 | First |
| 8 | Pinole | City Council | Tim Banuelos | | 3/21/12 | 3/12 | 3/20/14 | Second |
| 9 | Richmond | City Council | **Vacant** | | | | | |
| 10 | San Pablo | City Council | Paul Morris | | 2/6/13 | 2/13 | 2/5/15 | First |
| 11 | Unincorporated Area | Supervisor Glover | Norma Martinez-Rubin | | 4/10/13 | 4/13 | 4/9/15 | First |
| 12 | Unincorporated Area | Supervisor Gioia | Wayne Ellis | | 9/5/12 | 9/12 | 9/4/14 | Second |
| 13 | Board of Trustees WCCUSD | Trustee Kronenberg | Tim Warner | | 3/21/12 | 3/12 | 3/20/14 | First |
| 14 | Board of Trustees WCCUSD | Trustee Groves | Ivette Ricco | Chair | 6/13/12 | 6/12 | 6/12/14 | Second |
| 15 | Board of Trustees WCCUSD | Trustee Merriweather | Charles Cowens | Secretary | 12/12/12 | 1/13 | 12/11/14 | Second |
| 16 | Board of Trustees WCCUSD | Trustee Ramsey | Ken Jett | | 2/13/13 | 2/13 | 2/12/15 | First |
| 17 | Board of Trustees WCCUSD | Trustee Enos | Kristin Rosekrans | | 3/21/12 | 3/12 | 3/20/14 | First |
| 18 | Building Trades | Building Trades Council | **Vacant** | | | | | |
| 19 | Public Employees Union | PEU Local 1 | Julio Arroyo | | 10/19/11 | 10/11 | 10/18/13 | First |

* Required positions under Proposition 39 [Education Code section 15282 (a)]
Notes on terms: Term start date is the actual month the CBOC member begins to attend meetings. Only after the Board of Education approves the appointment, the end of the term is no longer than 24 consecutive months.

[1] Position numbers were assigned by the CBOC for reference purposes only
[2] CBOC was established by the Board of Education on April 9, 2003. All appointments are made by the Board of Education. Terms are for two (2) years with a maximum of two consecutive terms.

# APPENDIX D

## ***BRIEF SUMMARY OF THE BROWN ACT***

In brief, the "Brown Act" requires all local government business be conducted at open and public meetings, except in certain very limited situations. The Brown Act is based upon State policy that the people must be informed so they can keep control over activities and actions of their government.

It was authored by Assembly member Ralph M. Brown and passed in 1953, and guarantees the public's right to attend and participate in meetings of local legislative bodies.

The Brown Act was enacted in response to mounting public concerns over informal, undisclosed meetings held by local elected officials. City councils, county boards, and other local government bodies were avoiding public scrutiny by holding secret meetings and workshops.

The Brown Act (CA Government Code Sections 54950-54960.5) applies to all public agencies in California. It is designed to assure open meetings and public deliberations by all government agencies in California. The statute itself makes this purpose clear in its opening section as follows:

"54950. In enacting this chapter, the Legislature finds and declares that the public commissions, boards and councils and the other public agencies in this State exist to aid in the conduct of the people's business. It is the intent of the law that their actions be taken openly and that their deliberations be conducted openly.

The requirements of the Brown Act are straightforward. They can be summarized as follows:

1. A public agency must post notice of regular meetings at least three days before the meeting date.
2. The notice must include an agenda of items to be discussed or voted on at the meeting. The description of each item on the agenda should be brief but must be sufficient to inform a reasonable person of the subject to be considered.
3. Any votes taken by the agency must be taken in public session. With limited exceptions the agency may not conduct meetings in private session. Prohibited private sessions also include "serial" meetings—i.e., meetings of smaller groups that taken together include a majority of the agency members.
4. The public must be allowed time at each meeting to address the Board on matters included in the agenda and on other matters within the agency's jurisdiction.

5. Any documents delivered to a majority of the board members at or before the meeting must be made available to the public "without delay."

As can be seen from this brief summary of the Act, the objective of the Act is to encourage informed public participation in the major policy decisions of public agencies. Such public participation should promote better public acceptance and understanding of agency decisions. We believe that failure to follow the Act leads to the opposite—public misunderstanding and distrust in government agencies.

(The full text of the Brown Act may be found in California Government Code Sections 54950 – 54960.5.)

**A REPORT BY**
**THE 2015-2016 CONTRA COSTA COUNTY CIVIL GRAND JURY**
725 Court Street
Martinez, California 94553

**Report 1601**

# COMPLIANCE AND CONTINUITY REPORT

Contact:
Michael Simmons
Grand Jury Foreperson
925-957-5638

Contra Costa County Civil Grand Jury Report 1601

# COMPLIANCE AND CONTINUITY REPORT

The Contra Costa County Civil Grand Jury is impaneled annually to investigate city and county government, special districts and certain non-profit corporations to ensure that their functions are performed in a lawful, economical and efficient manner. Findings and recommendations developed from these investigations are contained in the reports signed by the Grand Jury Foreperson and the Grand Jury Judge. Responses to these reports must be made within certain time constraints and in accordance with specific formats pursuant to 933 and 933.05 of the California Penal Code. These responses to recommendations must include one of the following legally permitted options:

- The recommendation has been implemented.
- The recommendation has not yet been implemented, but will be implemented in the future.
- The recommendation requires further analysis.
- The recommendation will not be implemented because it is not warranted or is not reasonable.

The 2015-2016 Grand Jury reviewed 13 reports from the 2014-2015 Grand Jury. There were 31 letters, with copy of applicable report, mailed out to the different entities from whom responses were required. These 13 reports made a cumulative total of 78 recommendations to the various 31 recipients, of which 53 responses (68%) stated that the recommendation(s) have been or will shortly be implemented and 17 (22%) responses stated the recommendation required further analysis. For further explanation and clarification of subject responses to recommendations, refer to their full responses posted online. Responses to the 2014-2015 Grand Jury reports are posted on the Contra Costa County Grand Jury website in their entirety and can be viewed at:

http://www.cc-courts.org/index.cfm?fuseaction=Page.ViewPage&pageId=7346

The Grand Jury believes it is important for future Grand Juries to continue to review these responses and to be vigilant in seeing that recommendations that have been accepted have been carried out. In this manner, the commitment and hard work of past and future Grand Juries will result in positive changes for the citizens of Contra Costa County.

# CONTRA COSTA COUNTY CIVIL GRAND JURY REPORT – 1514
# WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT:

## Bond Program & Citizens' Bond Oversight Committee
## A Case Study in Stymied Oversight

***Recommendation #1: The School Board should eliminate the following six member positions from CBOC at the expiration of their terms, to eliminate any concerns about conflicts of interest.***

- ***Five members, one recommended by each member of the Board of Education***
- ***One member representing the Contra Costa Building and Construction Trades Council***

| RESPONDENT | RESPONSES |
|---|---|
| WCCUSD School Board of Education | The recommendation requires further analysis. |

***Recommendation #2: The School Board should change the School Board discretionary category of "Public Employees Union Local 1" to that of an "at large" position from the general community in order to allow for a greater pool of qualified candidates to apply.***

| RESPONDENT | RESPONSES |
|---|---|
| WCCUSD School Board of Education | The recommendation requires further analysis. |

***Recommendation #3: The School Board should create an independent selection committee to select new nominees for CBOC, comprised of the CBOC Chair and a designated appointee from CBOC, two members from the Board of Education, and School Superintendent or designee, for a committee of five. Selection should be based on merit and be a transparent process to ensure public confidence in this vital selection process.***

| RESPONDENT | RESPONSES |
|---|---|
| WCCUSD School Board of Education | The recommendation requires further analysis. |

| ***Recommendation #4: WCCUSD should provide CBOC members with complete, detailed and comprehensive financial data relating to the expenditure of bond revenues and items put to vote on the board agenda at least 7 days in advance of the board meetings, in order to permit meaningful and effective review and oversight.*** | |
|---|---|
| **RESPONDENT** | **RESPONSES** |
| WCCUSD School Board of Education | The recommendation has been implemented. |

| ***Recommendation #5: WCCUSD should allow CBOC full access to the CBOC website.*** | |
|---|---|
| **RESPONDENT** | **RESPONSES** |
| WCCUSD School Board of Education | The recommendation has been implemented. |

| ***Recommendation #6: WCCUSD should not change or add items to CBOC's website without the permission of the CBOC Chair.*** | |
|---|---|
| **RESPONDENT** | **RESPONSES** |
| WCCUSD School Board of Education | The recommendation has been implemented. |

| ***Recommendation #7: WCCUSD should provide CBOC with accurate, understandable and timely financial and non-financial reports concerning bond-funded projects as well as other relevant information requested on the bond construction program as least monthly.*** | |
|---|---|
| **RESPONDENT** | **RESPONSES** |
| WCCUSD School Board of Education | The recommendation has been implemented. |

| ***Recommendation #8: WCCUSD should provide CBOC with a comprehensive master plan for the school construction projects within the next three months and as requested by CBOC.*** | |
|---|---|
| **RESPONDENT** | **RESPONSES** |
| WCCUSD School Board of Education | The recommendation has not yet been implemented, but will be implemented in the future. |

***Recommendation #9: WCCUSD should provide timely and comprehensive training to all new CBOC members on a timely basis. The following training materials, at a minimum, should be provided to all new CBOC members within one week of their appointment:***

- ***(a) California League of Bond Oversight Committee recommended Best Practices***
- ***(b) San Diego County Taxpayers Association "Oversight Committee Best Practices" Guide***
- ***(c) California Coalition for Adequate School Housing "Proposition 39 - Best Practices Handbook"***
- ***(d) Little Hoover Commission 2009 Report "Bond Spending: Expanding and Enhancing Oversight"***
- ***(e) California League of Cities "A Guide to The Ralph M. Brown Act"***
- ***(f) State Controller's Office 2011 Audit Report on the Los Angeles Community College District's bond construction program***

| RESPONDENT | RESPONSES |
|---|---|
| WCCUSD School Board of Education | The recommendation has been implemented. |

***Recommendation #10: The School Board should follow all of it policies.***

| RESPONDENT | RESPONSES |
|---|---|
| WCCUSD School Board of Education | The recommendation has been implemented. |

***Recommendation #11: The School Board should ensure that the CBOC contains a member from each category required by California Education Code Section 15282.***

| RESPONDENT | RESPONSES |
|---|---|
| WCCUSD School Board of Education | The recommendation has not yet been implemented, but will be implemented in the future. |

# West Contra Costa USD Approved 12/9/2015

## Board Policy

**Citizens Bond Oversight Committee (CBOC)**

BP 7214.2
**Facilities**

Proposition 39, approved by California voters in the General Election of November 7, 2000 provides that the Governing Board of a school district may pursue the authorization and issuance of general obligation bonds passed by a vote of 55 percent or more of the electorate.

As a result of the passage of Proposition 39, language was added to the Education Code requiring school districts passing a bond designated as a Proposition 39 bond to establish a Citizens' Oversight Committee ("Committee" or "CBOC") to actively review and report on uses of bond proceeds to ensure that they are spent only on school facilities improvements allowed under each bond measure and not for any other purpose. The Committee shall be established within sixty (60) days of the date that the Board enters the election results in its minutes. A school district may also establish a voluntary bond oversight committee for a general obligation bond adopted by a two-thirds (2/3) vote of the electorate.

1. Committee's Purpose

The purpose of the Committee is to inform the public concerning the expenditure and uses of bond revenues. The Committee's legal charge is to actively review and report on the expenditure of taxpayer's money for school construction. The Committee shall convene to provide oversight of the following:

a. That bond revenues from bonds adopted by a 55 percent vote of the electorate are expended only for the purpose described in Article 13A, section 1, subdivision (b)(3) of the California Constitution including the construction, reconstruction, rehabilitation or replacement of school facilities, including for a Proposition 39 bond measure the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities; and

b. That, for bonds adopted by a 55 percent vote of the electorate, as prohibited by Article l3A, section 1, subdivision (b)(3)(A) of the California Constitution, no funds are used for any teacher and administrative salaries or other school operating expenses, except for salaries of bond facilities project administrators paid pursuant to the November 2001 and February 2003 resolutions validated by the Judgment of Validation in the Superior Court of California, Contra Costa County Action No. N03-02l6; and

c. That, for bonds adopted by a two-thirds (2/3) vote of the electorate, funds are used only for the purposes described in Article l3A, section 1, subdivision (b)(2) of the California Constitution including the acquisition or improvement of real property.

2. Committee's Duties

The Committee may engage in the following activities in furtherance of its purpose:

a. Receiving and reviewing copies of the annual performance audits required by Article 13A, section 1, subdivision (b)(3)(C) of the California Constitution.

(1) The Auditor shall deliver directly to the Audit Subcommittee a draft copy of each audit report at the same time as delivery is made to the district.

(2) The Auditor shall deliver directly to the Committee progress reports at the same time at these reports are issued to the district.

(3) The Committee shall participate with the district in a yearly review of the Auditor's performance.

b. Receiving and reviewing the annual financial audits required by Article 13A, section 1, subdivisions (b)(3)(D) of the California Constitution.

(1) The Auditor shall deliver directly to the Audit Subcommittee a draft copy of each audit report at the same time as delivery is made to the district.

(2) The Auditor shall deliver directly to the Committee progress reports at the same time at these reports are issued to the district.

(3) The Committee shall participate with the district in a yearly review of the Auditor's performance.

c. Inspecting school facilities and grounds to ensure that Bond revenues are expended in compliance with the requirements of Article 13A, section 1, subdivision (b)(3) of the California Constitution.

d. Receiving and reviewing copies of any deferred maintenance proposals or plans developed by the district, including any reports required by Education Code section 17584.1.

e. Reviewing efforts by the district to maximize Bond revenues by implementing cost-saving measures including, but not limited, to the following:

(1) Mechanisms designed to reduce the costs of professional fees;

(2) Mechanisms designed to reduce the cost of site preparation;

(3) Recommendations regarding the joint use of core facilities;

(4) Mechanisms designed to reduce costs by incorporating efficiencies in school site design;

(5) Recommendations regarding the use of cost-effective and efficient reusable facility plans.

3. Committee Operations

The Committee's legal charge is to review Bond expenditures and to inform the public about the uses of Bond proceeds.

The Committee shall have the authority to:

a. Inspect a job site or construction project in coordination with the district Superintendent or designee. Visits to job sites require that the Committee member(s) be accompanied by a representative of the district and require that all safety measures in effect at the job site be followed.

b. Contact district staff, district contractors or consultants, including without limitation, accountants, auditors, architects, financial advisors and legal counsel in coordination with district Superintendent or designee.

The Committee shall not have the authority to:

a. Participate in the bond sale and issuance process or make decisions concerning the timing, terms or structure of a bond issuance, except that the Committee may review the district's plans for any bond sale and may review bond issuance documents upon the conclusion of a bond sale if desired;

b. Determine how bond funds shall be spent;

c. Select contractors or consultants for bond projects or participate in the negotiation or bid process for such contractors and consultants;

d. Require the district to prepare reports or conduct audits more frequently than those required by law.

The Committee shall not be entitled to legal representation by district legal counselor at district expense, unless permitted by the Board.

The Superintendent or his/her designee shall attend Committee meetings. Members of the Board shall attend as necessary or desirable.

Upon completion of all Bond projects, the Committee shall prepare a final written report summarizing its activities and conclusions.

The Board shall, without expending Bond funds:

a. Provide the Committee with any necessary technical assistance;

b. Provide administrative assistance in furtherance of the Committee's purpose; and

c. Provide the Committee with sufficient resources to publicize the Committee's conclusions.

The Associate Superintendent of Operations will serve as a resource to the Committee. He/she shall assign such other district staff and professional service providers as needed to assist the Committee in carrying out its duties.

The Committee and Board shall hold joint meetings during the first quarter (January through March) and third quarter (July through September) of each year.

The Committee shall make reports to the Board of Education at each regular Board meeting. This report shall be placed on the Board's agenda. All recommendations approved by the Committee shall be presented to the Board of Education. The Board shall respond to the Committee's recommendation(s) within sixty (60) days after receipt of the recommendation(s).

The CBOC shall establish a set of bylaws and operational rules to manage the operation of the committee. These bylaws and operational rules shall be in compliance with Board Policy and all applicable laws.

4. Financial Operations

The Board of Education shall adopt an annual Facilities Program Budget.

a. District staff shall identify the budget by fund and account code on each Board action memo that recommends the expenditure of funds for facility projects.

b. The Facility Program Budget shall be formally amended by the board of Education during the calendar year, as needed, for new and revised projects and change orders.

5. Committee Selection and Composition

The Superintendent or designee and the CBOC shall solicit by all means available applications for membership on the Committee.

The Committee shall be comprised of individuals who either live or work within the boundaries of the district, except that no elected officials shall be appointed to the Committee.

Nominations for the five positions required by law shall be made by the respective organization for each position shown below.

Nominations for all the other positions on the Committee shall be by self-nomination.

All nominations shall be made using the CBOC approved Application Form and shall include a resume and statement as to why the candidate wants to be a Committee member.

Applicants shall submit all application documents to the Superintendent and CBOC Chair.

The Application Package for all nominees shall be published in a regular Facilities Subcommittee Agenda Package and all candidates shall be interviewed by the Facilities Subcommittee at a regular public meeting.

The Facilities Subcommittee shall make recommendations based on merit to the Board of Education for appointment to the CBOC.

The Board of Education shall appoint the Committee members. While the Committee must consist of at least seven members, the Board intends the Committee to consist of 17 members as shown below members.

As required by law, Committee membership shall include the following categories:

a. One member shall, at the time of appointment, be active in a business organization representing the business community of the district;

b. One member shall, at the time of appointment, be active in a senior citizens' organization, which may be a local, regional, statewide or national organization;

c. One member shall, at the time of appointment, be active in a bona fide taxpayers' organization, which may be a local, regional, statewide or national organization;

d. One member shall, at the time of appointment, be the parent or guardian of at least one child currently enrolled in a school of the district;

e. One member shall, at the time of appointment, be a parent or guardian of at least one child currently enrolled in a school of the district and be an active member in a district parent-teacher organization, such as the PTA or school site council.

f. Committee membership shall also include the following community members:

(1) Seven members shall be selected at-large including three residents of the City of Richmond, one resident each from the Cities of El Cerrito, Hercules, Pinole, and San Pablo, excluding sitting elected officials;

(2) Two members shall reside in unincorporated areas of the district and shall be selected at-large from unincorporated areas if the district, excluding sitting elected officials;

(3) One member shall, at the time of appointment, represent the Contra Costa Building and Construction Trades Council.

(4) One member shall, at the time of appointment, be a representative of the four employee unions, UTR, Public Employees Local 1, SSA and WCCAA. This member may not be a

current WCCUSD employee.

(5) One member shall, at the time of appointment, be a WCCUSD student, and represent district students.

Pursuant to Education Code Section 15282(b), no employee or official of the district shall be appointed to the Committee. Additionally, no vendor, contractor, or consultant of the district shall be appointed to the Committee. If, while serving on the Committee, a member becomes an official or employee of the district or becomes a vendor, contractor or consultant of the district, their membership on the Committee shall cease immediately.

Members of the Citizens' Oversight Committee may serve for no more than three consecutive terms of two years each. Committee members who wish to be appointed for a second or third two-year term shall reapply to the Board for consideration. (Education Code 15282) Committee members shall receive no remuneration for their participation on the Committee.

A Committee member who no longer serves as a representative of the designated group she/he was appointed to represent (e.g., ceases to be active within a taxpayers' organization, or ceases to have a child enrolled in the district) shall be allowed to complete his/her term. However, that Committee member shall not be entitled to serve a subsequent term as a representative of the designated group.

Within sixty (60) days of being notified of a Committee vacancy, the Board will appoint a new member to complete the term of the vacancy following the process used to select the original Committee members, provided an eligible and willing candidate is available and ready to serve.

Committee members shall be subject to prohibitions regarding incompatibility of office pursuant to Government Code 1125-1129 and financial interest in contracts pursuant to Government Code 1090-1098.

The Committee shall establish an attendance policy and procedures for the removal from the Committee for a violation of this policy.

The Committee will determine when a seat on the Committee becomes vacant and a new Committee member will be named by the Board if one or more of the following events occur:

a. The Committee member submits a written resignation;

b. The Committee member fails to meet the participation requirements above

An individual who replaces such a member shall serve until the completion of the original member's term. Thereafter, the member must apply for an additional term if she/he wishes to remain on the Committee. A member who is replaced may appeal to the Board for the Board to reappoint that person to the Committee.

Legal Reference
EDUCATION CODE
15278-15288
CALIFORNIA CONSTITUTION
Article, XIIIA, Section 1 (b)
Article, XVI, Section 18 (b)

Policy WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
adopted: August, 2008 Richmond, California
revised: January 9, 2008
revised: November 16, 2011
revised: May 14, 2014
revised: December 9, 2015

# I. Resolution No. 22-03 Recommended Revised Board Policy 7214.2

# West Contra Costa County Citizens' Bond Oversight Committee (CBOC)

## Resolution No. 22-02 September 12, 2022

## Recommend Revised Board Policy 7214.2

WHEREAS, the legislative action to place Proposition 39 "–School Facilities. 55% Local Vote. Bonds, Taxes. Accountability Requirements," on the ballot, and enacted by the California electorate in 2000, established Citizens' Bond Oversight Committees as a requirement for school construction bonds passed by 55% majorities; and

WHEREAS, California Education Code §15278 implementing Proposition 39 states, "The purpose of the citizens' oversight committee shall be to inform the public concerning the expenditure of bond revenues. The citizens' oversight committee shall actively review and report on the proper expenditure of taxpayers' money for school construction. The Citizens' oversight committee shall advise the public as to whether a school district or community college district is in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIIIA of the California Constitution;" and

WHEREAS, five of seven WCCUSD bond measures were set up for voter approval at a threshold of 55%, instead of a 2/3 vote, and thus require oversight by a Citizen's Bond Oversight Committee (CBOC) per California Ed Code Section 15278 and 15280 (referred to here as "WCCUSD Prop 39" bond measures); and

WHEREAS, for all WCCUSD Prop 39 bond measures, ballot measure language approved by WCCUSD's Board of Education promised voters an "independent" CBOC and "strict citizens' oversight". For example, in Measure R, under the heading, Financial Accountability, the Board promised (all caps included): "ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE (EDUCATION CODE SECTION 15278 ET SEQ.) TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. . "

WHEREAS, despite these very clear electoral and legislative mandates, WCCUSD and other K-12 and community college districts in the State of California have not acted to fully and properly comply with them; and

WHEREAS, some K-12 and community college districts school construction bond programs in the State of California have produced fraud, waste, and/or abuse that could have been detected

earlier, limited in scope and cost, and/or prevented if the legally mandated effective oversight had existed; and

**NOW, THEREFORE, BE IT RESOLVED THAT:**

WCCUSD's CBOC recommends that WCCUSD's Board of Education consider adopting the revised CBOC Board Policy 7214.2 attached to this resolution. This policy was drafted by an ad hoc subcommittee made up of two District Staff and two CBOC members.

_____*(printed name) Chair, John Anderson*

_____*Date*

VOTED on (date)_____, by the following vote: AYES: ___NAYS: ___ABSTENTIONS: ABSENCES:_____

# J. Resolution No. 22-04 Re-establish an Independent WCCUSD CBOC

a. Background Data
b. Resoluiton No. 22-04

## CBOC Members

| CBOC Members | | | |
|---|---|---|---|
| **2021** | # Members | Legal Req. Reps. | Comments |
| Jan. | 7 | 4 | SD (Bus. Rep) LH (Tax Rep) MC (parent)<br>DG (Sen) GE (Rich) JA(Rich) AJ (Her) |
| Feb. | 7 | 4 | AJ last |
| Mar. | 5 | 2 | JC first SD & LH re-apply |
| Apr. | 7 | 5 | SD (Bus. Rep) LH (Tax Rep) MC (PTA)<br>DG (Sen) GE (Rich) JA (Rich) JC (Parent) |
| May | 7 | 5 | DG last |
| Jun. | 7 | 4 | JL first |
| Jul. | 7 | 4 | GE last |
| Aug. | 6 | 4 | |
| Sep. | 6 | 4 | |
| Oct. | 6 | 4 | |
| Nov. | 6 | 4 | |
| Dec. | 7 | 5 | TP first (Sen Rep) |
| **2022** | | | |
| Jan. | 7 | 5 | Members = JA, MC, JC, SD, LH, JL, TP |
| Feb. | 7 | 5 | |
| Mar, | 7 | 5 | |
| Apr. | 7 | 5 | JC last (Parent) |
| May | 6 | 4 | MC last (PTA Rep) |
| Jun. | 5 | 3 | No Parent or PTA Reps |
| Jul | 4 | 3 | TP last |
| Aug. | 4 | 3 | JA (Senior Rep.) |
| Sep. | 4 | 3 | SD (Bus. Rep.) LH (Tax Rep.) JA (Sen. Rep.) |
| Oct. | | | |
| Nov. | | | |
| Dec. | | | |

JA - John Anderson
JC - Joe Camacho
SD – Sallie DeWitt
GE – Guadalupe Enllana
DG – Don Gosney
LH - Lorraine Humes
AJ – Anton Jungherr
JL – Jason Lindsey
TP – Tom Panas

First = first meeting
Last = last meeting

Status:

How is recruitment coming. We are below critical mass, numberwise?

| Member Number Prior 2021 | | |
|---|---|---|
| Date | # CBOC Members | Coments |
| 1/01 | 3 | Architects etc |
| 1/2005 | 18 | |
| 12/2005 | 18 | |
| 1/2006 | 17 | |
| 11/2006 | 24 | |
| 1/2015 | 15 | |
| 12/2015 | 14 | |
| 1/2016 | 12 | |
| 12/2016 | 15 | |
| 1/2017 | 17 | |
| 12/2017 | 15 | |
| 1/2018 | 8 | |
| 12/2018 | 8 | |
| 1/2019 | 8 | |
| 12/2019 | 9 | |
| 1/2020 | 8 | |
| 12/2020 | 7 | |

# West Contra Costa County Citizens' Bond Oversight Committee (CBOC)

## Resolution No. 22-04 September 12, 2022

## Re-establish an Independent WCCUSD CBOC

WHEREAS, the legislative action to place Proposition 39 – "School Facilities. 55% Local Vote. Bonds, Taxes. Accountability Requirements," on the ballot, and enacted by the California electorate in 2000, established Citizens' Bond Oversight Committees as a requirement for school construction bonds passed by 55% majorities; and

WHEREAS, California Education Code §15278 implementing Proposition 39 states, "The purpose of the citizens' oversight committee shall be to inform the public concerning the expenditure of bond revenues. The citizens' oversight committee shall actively review and report on the proper expenditure of taxpayers' money for school construction. The Citizens' oversight committee shall advise the public as to whether a school district or community college district is in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIIIA of the California Constitution;" and

WHEREAS, five of seven WCCUSD bond measures were set up for voter approval at a threshold of 55%, instead of a 2/3 vote, and thus require oversight by a Citizen's Bond Oversight Committee (CBOC) per California Ed Code Section 15278 and 15280 (referred to here as "WCCUSD Prop 39" bond measures); and

WHEREAS, for all WCCUSD Prop 39 bond measures, ballot measure language approved by WCCUSD's Board of Education promised voters an "independent" CBOC and "strict citizens' oversight". For example, in Measure R, approved by voters in March, 2020, under the heading, Financial Accountability, the Board promised (all caps included): "ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE (EDUCATION CODE SECTION 15278 ET SEQ.) TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED...."

WHEREAS, despite these very clear electoral and legislative mandates, WCCUSD and other K-12 and community college districts in the State of California have not acted to fully and properly comply with them; and

WHEREAS, some K-12 and community college districts school construction bond programs in the State of California have produced fraud, waste, and/or abuse that could have been detected earlier, limited in scope and cost, and/or prevented if the legally mandated effective oversight had existed; and

WHEREAS, since some time after January 1, 2022, membership in WCCUSD's CBOC dropped below seven, at which point WCCUSD fell fully out of compliance with Proposition 39; and, as it stands currently, the committee now recognized as WCCUSD's CBOC has four members with no officer other than the Chair, and is, therefore, a non-compliant CBOC.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. WCCUSD's CBOC recommends that WCCUSD's Board of Education take *immediate* action to fulfill promises made by WCCUSD's Board of Education in all WCCUSD "Prop 39" Bond Measures by re-establishing and maintaining an "independent" CBOC, capable of exercising "strict citizens' oversight", that is fully compliant with requirements laid out in Proposition 39 (2020) - "School Facilities. 55% Local Vote. Bonds, Taxes. Accountability Requirements" and all related statues.

2. Effective immediately after adjournment of the meeting in which this resolution is approved, all operations of WCCUSD's CBOC will be suspended until such time as WCCUSD's Board of Education does the following:

   A. Approves policies which establishes WCCUSD's CBOC as "independent" and capable of exercising "strict citizens' oversight" as promised by WCCUSD's Board of Education in all WCCUSD "Prop 39 Bond Measures; and

   B. Re-establishes WCCUSD's CBOC as fully compliant with Proposition 39 (2020) - "School Facilities. 55% Local Vote. Bonds, Taxes. Accountability Requirements" and all related statues.

_____*(printed name) Chair, John Anderson*

_____ *Date*

VOTED on (date)_____, by the following vote: AYES: ___NAYS: ___ ABSTENTIONS: ABSENCES:_____