

Please Post

San Bernardino City Unified School District

Regular Meeting of the Measure T Bond
Citizens' Oversight Committee

Conference Room G & H
Time: 1:00 pm – 3:00 pm
Board of Education Building
777 North F Street
San Bernardino, California 92410

MINUTES

March 14, 2007

| Committee Members | Representing | Present | Absent |
|--------------------------|--------------------------|----------------|---------------|
| Teresa Alba | Parent | | X |
| Robbi Brunk | At-large | X | |
| Soledad Castillo | Parent/PTA Member | X | |
| Carl Clemons | At-large | | X |
| Ronald Coats | Business Community | X | |
| J. Pat Ferraris | Business Community | | X |
| Margaret Hill | Senior Citizen | X | |
| Gloria Mazzola | At-large | | X |
| Marion Vassilakos | Tax Payer's Organization | | X |

| District Support | Department | Present | Absent |
|-------------------------|-----------------------------------|----------------|---------------|
| Art Delgado | Superintendent Office | | X |
| John Peukert | Facilities/Operations | | X |
| Wael Elatar | Facilities Management | X | |
| Keith Kajiya | URS Facilities Program Management | X | |
| Gene Fortajada | Accounting Services | X | |
| Renée Graves | | X | |
| Valerie Martinez | URS Facilities Community Outreach | X | |
| Beth Alexander | Facilities Management | X | |

1. Opening

- a. Call to Order
Chairperson Robbi Brunk called the meeting to order at 1:10 p.m.
- b. Approval of Minutes
Minutes were tabled due to the lack of a quorum.
- c. COC Member Appointment
Keith Kajiya reported that Marion Vassilakos was approved and appointed by the SBCUSD Board of Education on March 6, 2007. Mrs. Vassilakos will be a member of the COC as a representative of a bona fide Tax Payer's Organization.
- d. Term of COC Members
Keith Kajiya discussed terms of the COC members. He noted that members should be allowed to serve four full years if they agree to do so. The Proposition 39 Auditor, Renée Graves, indicated that per the Education Code, COC members are allowed to serve four

total years, regardless of the lengths of terms. Due to the lack of a quorum, the item was tabled until the next meeting.

e. 5-Year Housing Committee Field Trip

Robbi Brunk reported on the tour of the District on Thursday, March 8, 2007, with the 5-Year Housing Committee. She stated that the event was very interesting and would like for the COC members, others from the community and members of the press to attend a similar tour. It was suggested a tour be planned for the June 6th meeting.

2. Administrative Reports

a. Prop 39 Audit Report

Gene Fortajada, Director of Accounting Services, presented the 2005-2006 Financial Audit prepared by Vicenti, Lloyd and Stutzman, LLP. Renée Graves, Partner with the auditing firm of Vicenti, Lloyd and Stutzman, LLP, presented the Independent Auditor's Report on the Bond Building Fund, Measure T, Performance Audit for the fiscal year 2005-2006 to the COC. Ms. Graves reported, "All expenditures are being spent appropriately on the identified projects."

In accordance with Proposition 39, a performance audit and financial audit was performed by the independent auditor firm of Vicenti, Lloyd and Stutzman. The performance audit confirmed that the SBCUSD has properly accounted for the expenditures of the funds held in the Bond Building Fund and that such expenditures were made on authorized bond projects. Further it was noted that the funds held in the Bond Building Fund and expended by the district were not expended for salaries of school administrators or other operating expenditures.

The financial audit confirmed that the financial statements for fiscal year ending June 30, 2006, present fairly in all material respects, the financial position and results of operations for the SBCUSD as of June 30, 2006, in conformity with accounting principles generally accepted in the United States of America.

The financial audit also identified a reportable condition where Measure T expenditures were improperly coded to Resource Code 0001 rather than Resource Code 0002. Resource Code 0001 was for the Series A bond proceeds and Resource Code 0002 is to be used to account for the use of the Series B bond proceeds. District staff had to analyze all expenditures charged to Resource Code 0001 and determine what should have been charged to Resource Code 0002. As a result, \$5,113,145 of expenditures were moved from Resource Code 0001 to Resource Code 0002 in preparing for the financial statements. After correcting entries are posted, Resource 0001 accounts will be deactivated and eventually closed to prevent future miscoded transactions.

b. New Elementary School Named

The Superintendent's School Naming Committee selected names for two elementary schools under construction. School #47 (previously Emmerton II) was named Col. Joseph Rodriguez Elementary School and School #48 (Monterey II) was named Bing Wong Elementary School.

c. Community Outreach Program

The Facilities Community Outreach Manager, Valerie Martinez, made a presentation on how Facilities communicates with the local community regarding the Capital Program. Several methods of communication to be expanded are: 1) Presentations to Service Clubs, CA State University-San Bernardino's College of Education, S. B. Community College District, parent meetings, etc.; 2) Strategic Meetings with the San Bernardino Mayor and Council Members, the CSUSB Dean of Education, SBCC President, etc.; 3) Broaden the distribution of existing Printed Materials and District Publications; 4) Displays in the BOE Lobby and at schools throughout the District that are being impacted

by construction; 5) Construction-Focused Events such as Groundbreaking events, Tours of schools being modernized, Attendance boundary discussion meetings and Scoping meetings; 6) Media Relations with the Facilities Management Dept. working with the Communications Dept. to distribute press releases on significant construction milestones. Committee members suggested several additional ways for the community to be informed such as: 1) Local Community College broadcast channel, KVCR; 2) San Bernardino and Highland Chambers of Commerce; 3) local church bulletins; and 4) independent area newspapers.

d. Series C Bond Sale

Keith Kajiya reported that the \$10 million Series C Bond was sold and the money is available as of today, March 14. The District has established Fund 21-0003 to track and monitor expenditures against this series of the Bond.

e. Financial Hardship Application

Keith Kajiya reported that Facilities is moving forward with preparing a Financial Hardship Application. A number of steps have been completed including issuing Series C Bonds; the Board approved the maximum Level II Developer Fees and consolidating documentation on contract encumbrances. Facilities is sending information to Sacramento this week and plans to submit the Financial Hardship to the State by the end of March.

f. Mid-Year Report

Keith presented the Mid-Year Report to the Committee. This report is a summary of the thirty-three (33) projects now under construction and funded by Bond, State and other funding sources.

g. COC Annual Report

A "draft" report was presented to the Committee. Due to the lack of a quorum, the approval of the report was tabled. Keith will incorporate the findings of the Proposition 39 Auditor into the next draft report.

3. Schedule for Future Meetings

Due to the lack of a quorum, a Special Meeting was scheduled for Wednesday, March 28, 2007, at 1:00 p.m. The location will be the Board of Education Building in Conference Rooms A & B.

The next regular Quarterly Meeting is scheduled for Wednesday, June 6, 2007 which will include a field trip tour of the Capital Projects.

4. Public Comments – None

5. Items for Future Agenda

- 1) Term of COC Members
- 2) Selection of a Vice Chair
- 3) Approval of the COC Annual Report

The meeting was adjourned at 2:50 p.m.

Questions: Please contact Facilities Department (909) 381-1238

Posted: