

Citizens' Bond Oversight Committee Annual Report 2022

The Construction Bond Oversight Committee for Measure I was appointed by the Board on September 27, 2017. Since the passage of Measure G a new committee was created on December 9, 2020 to review Measures G, I and AA.

Membership:

Name	Category	Term
Wade Skeels (Secretary)	Active Member in a Bona Fide Taxpayer's	December 2020-2022
Carla Schneiderman	Senior Citizens Organization	December 2020- 2022
Ken Berland	Parent of child and an Active Member in a Parent- Teacher Organization	February 2021-2023
Alejandro Pimentel	Parent of Child enrolled in the District	December 2020-2022
Damian Park (Chair)	At-Large	December 2020-2022
David Goldin	At-Large	May 2022-May 2024
Vacant	Business organization representing the business community within the District	

Vacancies: one of the vacant positions resulted from our previous chair stepping down in March 2022, while the other vacancy has existed since at least 2020.

The purpose of the CBOC: The [Education Code](#) asks us to

- 1) Ensure expenditures are only for projects listed in the Measure
- 2) Ensure expenditures aren't for salaries

And we may

- 3) Review efforts by the district to maximize bond revenues
- 4) Review audits
- 5) Review deferred maintenance plans
- 6) Inspect grounds

Our primary method of determining compliance with requirements 1 and 2 above is through the financial and performance audits: The CBOC believes the Berkeley Unified School District is in compliance with requirements of Proposition 39. The reports prepared by the District were audited and District procedures deemed in compliance. As they say in the audits, however, they base their conclusions on only a sample of the paperwork.

Audit Details (see the May 24th packet for the full audits:

<https://www.berkeleyschools.net/departments/facilities/measure-i-bond-citizens-oversight-committee/>)

- Measure G: June 30, 2021, Performance Audit:

- A total of \$4,436,003 in expenditures for the year ended June 30, 2021
- Selected a sample of 15 expenditures totaling \$2,686,479 from the population of Measure G expenditures. ...Verified that the sampled expenditures were used for the construction, 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 and that funds were not spent for salaries or other administrative expenses not authorized by Proposition 39.
- Measure I: June 30, 2021, Performance Audit:
 - A total of \$39,359,778 in payroll and non-payroll expenditures for the year ended June 30, 2021 were identified. Selected a combined sample of 26 payroll and non-payroll expenditures totaling \$20,452,961 from the population of Measure I expenditures...Verified that the sampled expenditures were used for the construction, 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 and that funds were not spent for salaries or other administrative expenses not authorized by Proposition 39.
- Measure G/I: June 30, 2021, Financial Audit:
 - What do we learn? The auditors believe the district's financial statements are fairly stated.

We further note that the auditors obtained evidence for a sample of expenditures to ensure compliance with the minimum requirements of Article XIII A. In addition, they look for oddities such as when expenditures on contracts/services are greater than capital outlays.

The CBOC has **not** reviewed the effectiveness of expenditures despite the temptation to do so. To provide more assurance that all expenditures were effectively spent on Bond Funds, we may want to consider recommending an 'effectiveness and results' audit in subsequent years, provided the expense for such an audit isn't exorbitant.

Other important items worth noting:

Facilities website: CBOC members identified the need to improve access to information about projects funded through citizen approved bonds, eg. measures G and I. District staff worked to improve access to the information via the BUSD website, added a variety of reports and published CBOC email addresses for all committee members. CBOC information can be accessed by typing in 'CBOC' from the main BUSD web page. Committee members remain committed to ensuring access and information transparency for bond measure projects.

Other 2021 notes:

- The CBOC toured the new Oxford Elementary Campus
- We reviewed and edited our bylaws, updating the wording and clarifying the roles of Secretary and Chair. They have not yet been approved by the Board.
- We published [CBOC: Guidelines](#) on our website (not yet published as of this writing) to help us and future CBOCs understand their role.

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