

WCCUSD



Citizens' Bond Oversight

Committee

Annual Report 2015

Approved Citizens' Bond Oversight Committee June 22, 2016

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE MEMBERS**

Members as of April 30, 2016 ¹

Name ²	Category ³	Office ⁴	Term Expires
Jonathan Ames	Parent		12.8.17
Mark Bordas	Student		3.15.18
Margaret Browne	Richmond		9.16.16
Peter Chau	Richmond		4.12.18
Charles Cowens	Unincorporated		4.26.18
Don Gosney	Richmond		5.5.17
Charlene Harlan-Ogbeide	San Pablo		11.11.16
Dennis Hicks	Building Trades Council		1.19.18
Anton Jungherr	Taxpayers	Secretary	2.10.17
Chris Kelley	Hercules	Vice Chairperson	2.10.17
Antonio Medrano	Senior Citizen		3.3.17
Cameron Moore	PTA/School Site Council		4.26.18
Tom Panas	El Cerrito	Chairperson	5.19.17
Stephen Purser	Unincorporated		3.1.18
Ivette Ricco	Pinole		6.10.16
Tom Waller	Business		8.12.16

Former Members Who Served in 2015

Name ⁵	Category
Tashia Flucas	Taxpayers
Marianne Harrison	PTA
Kelvin Love	Parent
Norma Martinez-Rubin	Unincorporated
James Oakley	Senior Citizen
Maureen Toms	Pinole
Tim Warner	Board Trustee
Orlandus Waters	El Cerrito

Board of Education Liaisons to CBOC

- 2015 Liz Block, 2016 Val Cuevas (effective February 24, 2016)

Annual Report 2015 Production: Anton Jungherr, Chris Kelley and Tom Panas

¹ The WCCUSD Employee Unions position is vacant as of April 30, 2016.

² See bio and photo in Appendix 12.

³ See *Membership by Categories* in Appendix 15.

⁴ See Appendix 18 for Subcommittee Members and Offices.

⁵ See bio and photo in Appendix 12.

Executive Summary

The Citizens' Bond Oversight Committee (CBOC), as a result of four decisive events and the CBOC actions taken, served for the first time during 2015 as an independent oversight committee of the West Contra Costa Unified School District's \$1.8 billion school bond construction program. The four events were: Dennis Clay's release of his whistle-blower documents, the Board of Education decision to do a forensic investigation of Clay's allegations, release of the Civil Grand Jury Report, and the Board Policy amendments on the composition and selection process of the CBOC.

Dennis Clay: Dennis Clay, a WCCUSD Project Analysis employed by the District for eleven years, released on April 22, 2015 to the Board of Education hundreds of documents alleging financial mismanagement in the District's bond construction program. He also delivered these documents to the Contra Costa County Civil Grand Jury. The Board released these documents to the CBOC. The CBOC by a Resolution approved May 27, 2015 determined that it had an obligation to investigate the Clay allegations, approved the formation of a Subcommittee for this purpose and recommended CBOC Chairperson Ivette Ricco be the liaison to the District for this investigation.



Forensic Investigation: The Board of Education at their April 29, 2015 special meeting in closed session took this action, "That we would hire an independent attorney who hasn't worked with the district before to identify three or four forensic auditors who will then present their plan for the investigation to the Board. The Board will choose from that group an auditor that they feel best matches the investigation we want to do and then we will hire them to do the investigation."¹ The first meeting of the three person WCCUSD Subcommittee on Clay Investigation was held on July 7, 2015 and was composed of the following: Board Trustee Liz Block (Chair), Board Trustee Valerie Cuevas and CBOC Representative Ivette Ricco. On July 20, 2015 the Subcommittee selected James K. Kawahara (Kawahara Law) as their independent legal counsel. On September 23, 2015 the Subcommittee selected Vicenti Lloyd Stutzman, LLP as the forensic auditor. The Phase I scope for the forensic investigation was i) to review Dennis Clay's complaint and supporting documents and ii) assess the risks of fraud, corruption or waste by reviewing documents conducting interviews and preparing a fraud risk assessment matrix. Phase I was started on October 7, 2015 and completed on January 20, 2016 at a cost of \$177,010. The Phase I fraud risk assessment matrix described many areas of high risk. The Phase II scope for the forensic investigation is to review internal controls and forensic accounting based on the Phase I risk assessments. Phase II started on January 21, 2016 and is scheduled to be completed by August 31, 2016 at an estimated cost of \$893,951. The total cost for the forensic investigation

¹ The vote on this motion is not recorded in the minutes of this meeting.

is estimated as \$1,070, 961 of which \$218,727 will be paid from the General Fund and \$852,234 from Bond funds. The CBOC supported the full funding of the Phase II forensic investigation.

Civil Grand Jury Report: The Contra Cost County Grand Jury issued their Report 1514 *Bond Program & Citizens’ Bond Oversight Committee A Case in Stymied Oversight* on June 11, 2015. The report summary, stated in part, “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 that was necessary had adequate planning and budget controls been in place.” This report caused the Board of Education, at the recommendation of the Governance Subcommittee, to amend Board Policy on the composition and selection process for the CBOC Members.

Board Policy: On December 9, 2015 the Board of Education, in response to the Contra Costa County Grand Jury Report, amended Board Policy 7214.2 to change the composition and selection process for Members. These amendments made the following major changes:

Prior Board Policy	Amended Board Policy
Elected officials could be Members	No elected officials
No public interview	Public interview by Facilities Subcommittee
No basis for recommendation to Board	Recommendation based on merit
Nomination by five City Councils	Self-nomination by residents of five cities
Nomination by two Supervisors for residents from unincorporated areas	Self-nomination from unincorporated areas
One nomination by each Board of Trustee member	Eliminated

These amendments made the WCCUSD CBOC truly independent for the first time in its history.

Opinion: Based on our knowledge and belief at this time, information provided by the District and the Vavrinek, Trine, Day & Co., LLP Independent Auditors Report of Performance General Obligation Bonds Measure D (2010) and Measure E (2012) Performance Audit, June 30, 2015, dated March 22, 2016, it is the opinion of the CBOC that the District is in compliance with the provisions of the California Constitution except the project lists are not well-defined so that the CBOC could state an opinion whether expenditures of bond funds were made in accordance with the voter approved project lists. *Therefore, the CBOC states no opinion on whether expenditures of bond funds were made in accordance with the voter approved project lists.*

This report satisfies our legal obligation to annually inform the public and taxpayer’s concerning the expenditures and uses of bond revenues for school construction.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE**

June 22, 2016

Governing Board Members
West Contra Costa Unified School District and
Community

The Citizens' Bond Oversight Committee has, over the course of the last three years, taken a firm position on its role as mandated by Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act.

We are the instrument of communication between the District and the Community regarding the WCCUSD School Bond Program, a \$1.8-billion-dollar program, the third largest Bond Program in California.

Our task is to review the expenditures of the Bond Program and report our findings to the community.

The committee has challenged the District to be more transparent, collaborative, cooperative and accountable. The committee asked for information, resources, training and independent counsel so that it could properly do its job and represent the interests of the taxpayers.

Starting in 2013, the District began to listen and changes began to take place.

Our position was bolstered and supported by the June 2015 Contra Costa Grand Jury Report #1514, "A Case Study in Stymied Oversight". The Grand Jury Report identified many of the issues the CBOC faced in its attempt to do its work.

This is a small excerpt from that report:

"It appears that the board of education of the West Contra Costa Unified School District has failed to create a truly independent and effective bond oversight committee," the Contra Costa County civil grand jury report states.

"The system appears to have been hampered by lack of essential cooperation from the school district, conflicts of interest may have existed and the school district may have imprudently spent millions of taxpayer dollars."

Although the Grand Jury Report was not published until 2015, the District had been made aware of the CBOC's frustration and those concerns caught the attention of the media. Trustees moved to address the CBOC's concerns.

One of the most significant changes was putting into place staff and resources to assist the CBOC in its oversight efforts. In 2015 the Board of Education, following meetings with the CBOC, revised its policy for appointing members to the committee, thereby making membership more representative of District residents.

Governing Board Members, WCCUSD and Community, June 22, 2016 (continues)

As some of these changes were taking place, media attention intensified in April 2015, when a District employee, Dennis Clay, published documents alleging possible irregularities in the Bond Program.

Those allegations led the District to launch a forensic audit and investigation into the District's School Bond Program, which is currently ongoing. A report on the findings of this investigation is due August 31, 2016. The CBOC had long been asking the District to provide it with a report on their "End Game".

We wanted to get a clear picture of the Bond Program, what had been done, what still needed to be done, what could be done, and what couldn't be done with the funds left. We wanted to know how the District proposed to accomplish all the goals it had set forth, and how promises made, when they asked voters to approve six bond measures, could be kept.

Because the CBOC and community raised these questions and concerns the District began the process of developing a new Facilities Long Range Master Plan. The new Facilities Long Range Master Plan seeks to ensure that available Bond Funds are utilized equitably amongst the schools that have not been "touched" by the Bond Program. That project is ongoing; and a report was presented to the Board of Education in May 2016.

The WCCUSD Citizens' Bond Oversight Committee is no longer a committee acting as a cheerleader for the District, but rather a true overseer of the community's interest in the \$1.8 billion WCCUSD Bond Program. It is better organized, better trained and functioning at a higher level than ever before.

The WCCUSD CBOC is leading the way in its service to the community and the District's stakeholders.

I am proud to have served on the CBOC for the last six years, three of those as the Chairperson.

Ivette Ricco
CBOC Chairperson

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT OPINION ANNUAL REPORT 2015
COMPLIANCE OPINION**

**Compliance Opinion 2015
General Obligation Bonds Measure D (2010) and Measure E (2012)**

California Education Code Section 15278 (b) requires, "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." (See attached)

California Education Code Section 15280 (b) requires, "The citizens' oversight committee shall issue regular reports on the results of its activities. A report shall be issued at least once a year." (See attached)

This is the Citizens' Bond Oversight Committee (CBOC) Compliance Opinion 2015 as to whether the WCCUSD is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution (see attached) as follows:

Reference ¹	Requirement	In Compliance?
(A)	Bond funds are expended only for the construction, reconstruction, rehabilitation, or replacement of school facilities including the furnishing and equipping of school facilities.	Yes
(A)	No bond funds are used for any teacher or administrative salaries or other school operating expenses.	Yes
(B)	A list of specific projects to be funded was included on the ballot.	No. See below.
(C)	An annual independent audit is performed.	Yes
(D)	An annual independent financial audit is performed.	Yes

It is the opinion of the CBOC that the projects list for Measure D (2010) ² and Measure E (2012) ³ are so general in nature that it is impossible to determine what specific school facilities were approved and the amount of bond funds allocated for each specific school facilities project.

It is noted that Vavrinek, Trine, Day & Co., LLP independent auditors' report June 30, 2015, issued on March 22, 2016, states, "The results of our tests indicate that the District expended Measure D (2010) and Measure E (2012) funds for the specific projects approved by the voters, in accordance with Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution."

¹ Reference to California Constitution Article XIII A, Section 1(b)(3)

² See Appendix 2.

³ See Appendix 3.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT OPINION ANNUAL REPORT 2015
COMPLIANCE OPINION**

The CBOC disagrees with the Auditors' opinion. It is our opinion that it is impossible to determine what specific school facilities were approved and the amount of bond funds allocated for each specific school facilities project based on the voter approved project lists.

The CBOC is fully aware of the Vicenti Lloyd Strutzman, LLP (VLS) forensic audit currently being performed on the school construction program as a result of whistle blower Dennis Clay's complaint. Former CBOC Chairperson Ivette Ricco is a member of the Board of Education Clay Investigation Subcommittee with Board Trustees Liz Block and Val Cuevas. Some CBOC Members have been interviewed by VLS as part of this forensic audit.

The VLS forensic audit is scheduled to be completed by August 31, 2016. This forensic audit will inform the CBOC about the effectiveness of the District's school construction program and its internal controls used to manage this program.

Opinion: Based on our knowledge and belief at this time, information provided by the District and the Vavrinek, Trine, Day & Co., LLP Independent Auditors Report of Performance General Obligation Bonds Measure D (2010) and Measure E (2012) Performance Audit, June 30, 2015, dated March 22, 2016, it is the opinion of the CBOC that the District is in compliance with the provisions of the California Constitution except the project lists are not well-defined so that the CBOC could state an opinion whether expenditures of bond funds were made in accordance with the voter approved project lists. Therefore, the CBOC states no opinion on whether expenditures of bond funds were made in accordance with the voter approved project lists.

WCCUSD CITIZENS' BOND OVERSIGHT COMMITTEE

Ivette Ricco, Chairperson 2015



California

LEGISLATIVE INFORMATION

Code: CONS

▼ Article: XIII A

Section: SECTION 1.

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* CALIFORNIA CONSTITUTION - CONS

ARTICLE XIII A [TAX LIMITATION] [SECTION 1 - SEC. 7] (*Article 13A added June 6, 1978, by Prop. 13. Initiative measure.*)

SECTION 1. (a) The maximum amount of any ad valorem tax on real property shall not exceed One percent (1%) of the full cash value of such property. The one percent (1%) tax to be collected by the counties and apportioned according to law to the districts within the counties.

(b) The limitation provided for in subdivision (a) shall not apply to ad valorem taxes or special assessments to pay the interest and redemption charges on any of the following:

(1) Indebtedness approved by the voters prior to July 1, 1978.

(2) Bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voters voting on the proposition.

(3) Bonded indebtedness incurred by a school district, community college district, or county office of education for 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, approved by 55 percent of the voters of the district or county, as appropriate, voting on the proposition on or after the effective date of the measure adding this paragraph. This paragraph shall apply only if the proposition approved by the voters and resulting in the bonded indebtedness includes all of the following accountability requirements:

(A) A requirement that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b)(3), and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

(B) A list of the specific school facilities projects to be funded and certification that the school district board, community college board, or county office of education has evaluated safety, class size reduction, and information technology needs in developing that list.

(C) A requirement that the school district board, community college board, or county office of education conduct an annual, independent performance audit to ensure that the funds have been expended only on the specific projects listed.

(D) A requirement that the school district board, community college board, or county office of education conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended for the school facilities projects.

(c) Notwithstanding any other provisions of law or of this Constitution, school districts, community college districts, and county offices of education may levy a 55 percent vote ad valorem tax pursuant to subdivision (b).

(*Sec. 1 amended Nov. 7, 2000, by Prop. 39. Initiative measure.*)



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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.)



California

LEGISLATIVE INFORMATION

Code: EDC

▼ Section: 15280

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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. Effective January 1, 2014.)

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
STAFF SUPPORT APPRECIATION**

WCCUSD Staff Support

The CBOC could not conduct its oversight of the school construction bond program without the support of the District. The CBOC appreciates this support. The CBOC appreciates the following staff members:

Name	Position	Role
Mark Bonnett	Executive Director (Bonds)	Support CBOC, Audit Subcommittee, Reports Subcommittee
Dennis Clay	Project Analyst	Financial reports
Olinda Torero de Diaz	Typist Clerk III Bilingual	Posts agenda at Administration Building
Adam Ferber	CBOC Independent Legal Counsel	Legal counsel
Luis Freese	District Engineering Officer	Change orders, Pinole Valley High School Subcommittee, Site Tours Subcommittee, construction reports
Sheri Gamba	Associate Superintendent	Support for audit reports and bond sales
Silvia Garfield	Senior Administrative Secretary	Scheduling Executive Committee meetings
Juan Garrahan	Architect	Manage speakers at CBOC meetings, support Cost Savings Measurers
Christina Hanson	Sr. School Facilities Planning Specialist	CBOC agenda packet and minutes, general support, maintains WCCUSD website for CBOC meetings
Debbie Haynie	Executive Secretary	CBOC applications
Keith Holtslander	Director of Facilities and Construction	Website Subcommittee
Nancy Ingram	Staff Secretary	Audit Subcommittee minutes
Lisa LeBlanc	Associate Superintendent	Supports CBOC and Executive Committee
David Page	Primavera Consultant	Financial reports
Chet Ratliff	Primavera Consultant	Financial reports
Bertha Rosas		Posts agenda at Facilities Operations Center
Phyllis Rosen	Secretary	Audit Subcommittee minutes
Winson Thai	Senior Network System Administrator	CBOC website maintenance

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
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ANNUAL REPORT 2015**

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Background ¹

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act (School Facilities; 55% Local Vote; Bonds, Taxes; Accountability Requirements). Within the text of Proposition 39 various accountability requirements, including requirements for certain types of audits, were specifically required. In an effort to increase voter acceptance for Proposition 39, the California Legislature passed, and Governor Davis signed, Assembly Bill 1908 ("AB 1908"), which provided additional requirements relative to school district general obligation bond elections conducted pursuant to Proposition 39.

Those requirements included provisions for school districts conducting Proposition 39 elections and thereafter establishing and appointing members to a Citizens Oversight Committee ("Committee" or "Citizens Oversight Committee"), as required by Education Code Section 15278, *et seq.* as put into place pursuant to AB 1908, are discussed herein.

Legal Requirements ²

The provisions of AB 1908, largely contained in Education Code Sections 15278, *et seq.*, provide specific legal requirements relative to Citizens Oversight Committees. These legal requirements include the purpose of the Committee, the establishment and appointment of members to the Committee, authorized activities of the Committee, membership on the Committee meeting and procedural requirements applicable to such Committee and limitations and requirements relative to school district support of the Committee.

Purpose of Committee ³

As stated by AB 1908, the purpose of the Committee shall be to inform the public at least annually in a written report concerning the expenditure of the bond proceeds. In carrying out this purpose the Committee shall:

(a) Actively review and report on the proper expenditure of taxpayers' money for school construction;

(b) Advise the public as to whether the school district is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution, which

¹ Snippets from *Citizens Oversight Committees Requirements* by Bowie, Arneson, Wiles & Giannone, September 24, 2001. See Appendix 1,

² *Ibid.*

³ *Ibid.*

WCCUSD CITIZENS' BOND OVERSIGHT COMMITTEE ANNUAL REPORT 2015

38 provides that:
39

40 (i) Bond funds are expended only for the construction, reconstruction, rehabilitation, or
41 replacement of school facilities, including the furnishing and equipping of school facilities, or
42 the acquisition or lease of real property for school facilities;
43

44 (ii) No bond funds are used for any teacher or administrative salaries or other school operating
45 expenses;
46

47 (iii) A list of projects to be funded was included on the ballot;
48

49 (iv) An annual independent performance audit is performed; and
50

51 (v) An annual independent financial audit is performed.
52

53 **Board Policy BP 7214.2 Citizens' Bond Oversight Committee (CBOC)**⁴

54 Board Policy 7214.2 provides the policy framework for the CBOC and includes the following
55 provisions:

- 56 • Committee's Purpose
- 57 • Committee's Duties
- 58 • Committee Operations
- 59 • Financial Operations
- 60 • Committee Selection and Composition
61

62 **CBOC By-laws**

63 The CBOC has adopted its own By-laws, consistent with Board Policy 7214.2 to govern its
64 operations.⁵ These by-laws included provisions in regards to the Committee's duties, meeting
65 schedule, subcommittees, attendance, officers, minutes, reports and agendas.

66 **CBOC History**

67 The first CBOC meeting was held on February 24, 2001 to provide oversight for the Measure M
68 \$150,000,000 bond. This oversight committee was required as part of the Measure M ballot
69 language, which required a 2/3 vote to pass. This CBOC had twenty-eight (28) members. Board
70 President George Harris was the first CBOC chairperson. See Appendix 16 for a list of
71 Committee Chairpersons and Secretaries from 2001 to current date.

⁴ See Appendix 4

⁵ See CBOC website at <http://wccusd-bond-oversight.com/>. The latest revision 14 was approved December 5, 2014.

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72 With the March 2002 voter approval of the Proposition 39 (55% vote) \$300,000,000 Measure D
73 bond measure the District was required to reorganize the CBOC to comply with Proposition 39
74 provisions. The Board of Education on April 9, 2003 approved the first Proposition 39 CBOC
75 with nineteen (19) members.

76 Subsequent Board of Education action provided one CBOC to provide oversight to all Bond
77 Measures (J-2005, D-2010 and E-2012).

78 On December 9, 2015 the Board of Education, in response to the Contra Costa County Grand
79 Jury Report (see Appendix 20), amended Board Policy 7214.2 to change the composition and
80 selection process for members. See Appendix 4. This amendment made the following major
81 changes:

Prior Policy	Amended Policy
Elected officials could be members	No elected officials
No public interview	Public interview by Facilities Subcommittee
No basis for recommendation to Board	Recommendation based on merit
Nineteen (19) members	Seventeen (17) members
Nomination by five City Councils	Self-nomination by residents of five cities
Nomination by two Supervisors for residents from unincorporated areas	Self-nomination from unincorporated areas
One nomination by each Board of Trustee member	Eliminated
Public Employees Union Local 1 nomination	One nomination by four WCCUSD employee unions
No student member	One student member

82

83 Prior CBOC Annual Reports

84 The CBOC annual reports are prepared on a calendar basis. The first annual report was for 2003.
85 Since then eight (8) annual reports have been issued. Annual reports for the years 2004, 2005
86 and 2009 were not prepared. Prior reports are available on the CBOC website.

87 Shown below is a history of the annual reports:

Year	Date	Number of Pages
2003	December 3, 2003	3
2004	none	
2005	none	
2006	January 30, 2008	5
2007	December 3, 2008	3
2008	March 24, 2010	15
2009	none	
2010	February 27, 2012	3
2011	November 30, 2012	2
2012	December 4, 2013	2

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Year	Date	Number of Pages
2013	January 28, 2015	3
2014	April 29, 2015	3
2015	June 22, 2016	190

88

89 **Project List Measure D 2010 - \$380,000,000**

90 The Measure D-2010 project list, included in the ballot measure, did not specify any specific
91 school sites for projects and was so general in nature that any facilities project in any amount
92 could be constructed at any school site. (See Appendix 2)

93 **Project List Measure E 2012 - \$360,000,000**

94 The Measure E-2012 project list, included in the ballot measure, did not specify any specific
95 school sites for projects and was so general in nature that any facilities project in any amount
96 could be constructed at any school site. (See Appendix 3)

97 **Recommendations to Board of Education January 2014 through April 2016**

98 The primary means for the CBOC to influence cost savings for the school bond construction
99 program is through its recommendations to the Board of Education.

100 **Recommendations to Board of Education:** "All recommendations approved by the Committee (CBOC) shall be
101 presented to the Board of Education. The Board shall respond to the Committee's recommendation(s) within sixty
102 (60) days after receipt of the recommendation(s)." (Board Policy BP 7214.2)

103 The purpose of the table below is to document the recommendations made by the CBOC to the
104 Board of Education and to record the action taken by the Board, if any, on each recommendation.

105 **Open Recommendations (No response from the Board)**

Date CBOC Approved	Recommendation	Board of Education Response
11.16.15	Consider the role of Piper Jaffray & Company as the WCCUSD Bond Underwriter for any negotiated Bond Sale after the March 2016 Bond Sale.	No response
1.27.16	Follow-up on Vavrinek, Trine, Day & Co. LLP FY2014 Agreed Upon Procedures Examination recommendations.	No response
1.27.16	Report on unobligated bond funds available through December 31, 2021.	No response
1.27.16	Provide link to CBOC and Board Subcommittees on the WCCUSD website home page.	No response

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Date CBOC Approved	Recommendation	Board of Education Response
1.27.16	Resolution recognizing retiring CBOC Chair Ivette Ricco.	No response
1.27.16	Resolution recognizing CBOC Members retiring from the Committee during 2015.	No response
3.23.16	Request Christy White Associates to provide the District with a copy of their FY2015 bond financial audit plan for the audit. Further that the District provide said audit plan to the CBOC Audit Subcommittee.	No response
3.23.16	That the FY2016 performance audit and financial audit include all Proposition 39 Ballot Measures (D-2002, J-2005, D-2010, and E-2012) revenues and expenditures incurred during FY2016.	No response
4.20.16	That the District prepare a report to the Board of Education and CBOC Audit Subcommittee about the action taken to implement each VTD recommendation made in their June 30, 2015 AUP Engagement Report.	No response
4.20.16	That the District voluntary release the legal opinion supporting the use of bond funds to pay \$875,443 for the forensic audit.	No response

106

107

**WCCUSD CITIZENS' BOND OVERSIGHT COMMITTEE
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08

109

Rejected Recommendations by the Board

Date CBOC Approved	Recommendation	Board of Education Response
9.23.15	Eighteen FY2015 performance audit objectives	rejected
12.16.15	Objection to Vavrinek, Trine, Day & Co. LLP agreement amendments in regards to the FY2015 performance audit and recommended eighteen-point performance audit objectives, not an eighteen point Agreed Upon Procedures Examination.	rejected
2.24.16	Bond performance audit FY2016 scope	Rejected at April 27, 2016 Board meeting.
3.23.16	Performance Audit Scope FY2016 (Resolution 16-4)	Rejected at April 27, 2016 Board meeting.

110

111 See Appendix 5 for a complete list of all recommendations including those accepted by the
112 Board.

113 Independent Legal Counsel

114 Adam S. Ferber was retained in April 2015 as CBOC Independent Legal Counsel. Since that
115 time he has regularly attended the CBOC's monthly meetings and subcommittee meetings as
116 requested by the CBOC Chairperson. He provides routine legal advice to the Committee as a
117 whole and to the Chairperson upon request. He also provided one formal written opinion in
118 response to a request by the Committee. Mr. Ferber's hourly rate is \$210. Mr. Ferber's legal
119 services are paid by the District.

120 The Committee shall be Mr. Ferber's client. Mr. Ferber shall not provide legal representation to
121 the District.

122 United States Securities and Exchange Commission Investigation

123 On or about August 1, 2014, the District received a subpoena from the U.S. Securities and
124 Exchange Commission (SEC) requesting documents relating to, among other things, the
125 District's general obligation bonds issued in the years 2009 through 2013 and documents relating
126 to proposed refunding of the District's debt. The letter that accompanied the subpoena provides
127 in part as follows:

128 "This investigation is a non-public, fact finding inquiry. We are trying to determine
129 whether there have been any violations of the federal securities laws. The investigation
130 and the subpoena do not mean that we have concluded that you or anyone else has broken

**WCCUSD CITIZENS' BOND OVERSIGHT COMMITTEE
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131 the law. Also the investigation does not mean that we have a negative opinion of any
132 person, entity or security.”

133 It is our understanding that this investigation is currently ongoing.

134 United States Securities and Exchange Commission MCDC⁶ Initiative

135 On March 10, 2014, the United States Securities and Exchange Commission (SEC) issued a
136 document announcing a new cooperative enforcement initiative (MCDC) ⁷ designed to
137 encourage any issuers (WCCUSD) and underwriters (Piper Jaffray & Co,) to self-report
138 materially inaccurate statements in a final official statement. ⁸ WCCUSD and Piper Jaffray &
139 Co. both responded.

140 Piper Jaffray & Co. was the senior bond underwriter for the six bond issues covered in the
141 WCCUSD MCDC:

- 142 • Election 2005 Bonds, Series D, Official Statement dated June 10, 2010
- 143 • 2011 Refunding Bonds, Official Statement dated August 10, 2011
- 144 • Election 2010 Bonds, Series A, Official Statement dated November 8, 2011
- 145 • 2012 Refunding Bonds, Official Statement dated June 19, 2012
- 146 • Election 2012, Series A, Official Statement dated October 10, 2013
- 147 • Election 2010 Bonds, Series B, Official Statement dated October 10, 2013

148 Piper Jaffray & Co. (Piper) has been the Senior Underwriter on the seven District bond sales
149 since 2005. Six of these bond sales were negotiated sales; no competitive bids were taken for
150 these six bond sales.

151 Sheri Gamba was the WCCUSD Associate Superintendent, Business Services during the period
152 of these six bond sales.

153 The MCDC provided: ⁹

- 154 • The SEC will recommend a settlement in which the issuer (WCCUSD) neither admits nor
155 denies the findings of the SEC.
- 156
- 157 • No payment of any civil penalty by WCCUSD
- 158
- 159 • Underwriters will pay civil penalty
- 160
- 161 • No assurance that individuals will be offered no civil penalties
- 162

⁶ Municipalities Continuing Disclosures Cooperation

⁷ Municipalities Continuing Disclosure Cooperation (MCDC) Initiative.

⁸ SEC MCDC Initiative Notice, November 13, 2014 edition.

⁹ Ibid.

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- As part of any settlement WCCUSD must agree to: ¹⁰
 - Establish appropriate policies and procedures and training
 - Update past delinquent filings
 - Cooperate with any subsequent investigation
 - Disclose in a clear and conspicuous fashion the settlement terms in any final official statement issued in the next five years
 - Provide SEC staff with a compliance certification on one-year anniversary

171 On November 24, 2014 Sheria Gamba filed with the SEC an eight (8) page *Questionnaire for*
172 *Self-Reporting Entities*. See Appendix 21.

173 On August 12, 2015 the Board of Education approved Administrative Regulation 7214.2
174 Disclosure Procedures that "... are intended to (a) ensure that the district's Disclosure
175 Documents ... comply with all applicable federal securities laws and (b) promote best practices
176 regarding the preparation and review of the District's Disclosure Documents."

177 On August 18, 2015 the Board of Education held a one-hour bond disclosure training which was
178 attend by several CBOC Members.

179 It is our understanding that the SEC has not as yet made a settlement agreement with the District
180 on this matter.

181 **Contra Costa County Grand Jury Report 1514**

182 The Contra Cost County Grand Jury issued their Report 1514 *Bond Program & Citizens' Bond*
183 *Oversight Committee A Case in Stymied Oversight* on June 11, 2015.

184 The report summary, stated in part, "Upon examination, it appears that the Board of Education of
185 the West Contra Costa Unified School District (WCCUSD) has failed to create a truly
186 independent and effective bond oversight committee. The system appears to have been
187 hampered by lack of essential cooperation from the WCCUSD School District, conflicts of
188 interest may have existed, and the School district may have imprudently spent millions of
189 taxpayer dollars. This may have been much more that was necessary had adequate planning and
190 budget controls been in place."

191 See Appendix 20 for the complete Summary of this report.

192 **Dennis Clay Documents**

West Contra Costa school district whistle-blower speaks out

By [Theresa Harrington tharrington@bayareanewsgroup.com](mailto:Theresa.Harrington@bayareanewsgroup.com) (July 4, 2015)

POSTED: 07/04/2015 08:21:44 PM PDT

UPDATED: 07/04/2015 08:21:44 PM PDT

¹⁰ Ibid.

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RICHMOND -- Dennis Clay was understandably stressed before he exposed alleged financial mismanagement in the West Contra Costa school district's bond construction program. But now the whistleblower says he feels a sense of relief.

"Most of my personal turmoil happened between January and April," he said, explaining that he spent weeks compiling documents to demonstrate budgets that don't reconcile, overspending on projects and a lack of fiscal controls.

He sent the documents to the school board, which released them to the district's independent Citizens' Bond Oversight Committee. He also delivered them to the Contra Costa County Civil Grand Jury.

The project analyst's efforts paid off. In a special April 29 meeting, school trustees voted to pursue a forensic audit -- a more detailed examination of the records than a regular audit entails -- but have not yet hired a firm to begin that work. The Securities and Exchange Commission has also launched an investigation into his allegations, and the Contra Costa grand jury excoriated the district's management of the bond program in its latest report.

"Once it got past that first special meeting, I felt much lighter," Clay said, during an interview Wednesday. "It was a little bit of an obsession there for four months."

Clay says he alerted Sheri Gamba, the district's associate superintendent for business services, in 2011 about millions of dollars in discrepancies between internal and external reports, that now amount to \$60 million unaccounted for in reports to the Citizens' Bond Oversight Committee.

"The budgets were changed to match what was actually spent," he said. "The spending was never controlled by the budgets. It was pretty much the reverse. And that's still true. There is no budget process in place to control spending."

Clay said he decided to go public after he alerted the recently hired bond program finance manager and the bond program engineer, who was moved to that position last year, about the problems. Also playing into his decision to go public was his feeling that an outside auditor he told of the problems didn't adequately investigate his complaints.

The district's process for managing \$1.6 billion in voter-approved construction bonds, he said, results in staff who believe they should "... never have to say 'no' to the board or board requests for projects."

"Once you understand that need," he said, "a lot of things make sense."

Employees who have questioned this process are no longer around, Clay added.

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"Frequently, there will be an official budget and for planning purposes, and a different amount that they actually expect the project to end up at," he said. "The official budget does not keep them from spending over it."

Ivette Ricco, chairwoman of the Citizens' Bond Oversight Committee, said she doesn't know Clay, but she appreciates his willingness to speak out about his concerns.

"I think this is a real testament to his character that he feels that this is so important that he just has to step up and say something," she said.

"When you put your job on the line like that, and you know you're going to work with everybody, and it's going to be uncomfortable, that takes a certain amount of courage."

In response to Clay's allegations and a recent Civil Grand Jury report that criticized the district's bond oversight, the district issued a statement Wednesday confirming that the SEC is already investigating similar claims made last year.

"Because of the SEC's inquiry," the statement said, "the district will not discuss these claims in detail."

The district said its most recent audit found no shortcomings or inefficiencies in the bond program, but that it would take action in response to any findings or recommendations that may come out of the forthcoming forensic audit. The district also said it has taken steps to rebuild public confidence in the bond program by appointing new leadership to manage it, authorizing an independent attorney to advise the Citizens' Bond Oversight Committee, and directing staff to develop a facilities master plan, expected to be completed next year.

Clay said things have changed since former trustee Charles Ramsey, the bond program's biggest booster who previously chaired a facilities subcommittee that made most construction-related decisions, left office last December, but there is still much more to be done.

He questions the district's practice of hiring architects to begin conceptual plans for schools that will not be built for years or even decades, saying an official in the SGI construction management firm, which oversees the district's bond program, once referred to it as "the architect full employment program."

"I was astounded that he would say that, even though it's obviously true," Clay said. "I would have restated it as 'the SGI and architect full employment program.'"

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Although Clay said he cares about district students having well-built facilities and taxpayers getting their money's worth, one of his main motivations for going public was to bring integrity to the district so he and his fellow employees can take pride in what they do.

"I'd like to work for a well-run, upright, honest organization," he said, becoming slightly teary-eyed. "We're going to run out of money before these schools are done, and people are going to feel like they've been lied to. It's not going to be a happy place or time."

Theresa Harrington covers education. Contact her at 925-945-4764. Follow her at [Twitter.com/tunedtotheresa](https://twitter.com/tunedtotheresa).

MORE INFORMATION:

West Contra Costa school district whistleblower Dennis Clay's allegations and documents are available at: <https://app.box.com/wccusdwhistleblower>.

193

194 See Dennis Clay's *Why I AM Doing This* at <http://dennisclay.wordpress.com/tag/wccusd/>.

195 In April 2015 WCCUSD employee, Dennis Clay, published documents alleging mismanagement
196 of the WCCUSD \$1.6 billion School Bond Program. See Appendix 19 for the Executive
197 Summary prepared by Dennis Clay.

198 The publication of these documents prompted a public outcry for a full investigation of the
199 WCCUSD Bond Program.

200 Vicenti Lloyd Stutzman LLP (VLS) Forensic Accounting Investigation

201 The School Board established a Special Ad-Hoc Subcommittee to conduct an investigation. The
202 Ad-Hoc subcommittee is comprised of Trustees, Liz Block, Valerie Cuevas and CBOC Chair,
203 Ivette Ricco.

204 Mr. James Kawahara was selected as Independent Counsel for the Clay Subcommittee. The next
205 step was to vet firms to conduct an extensive audit of the Bond Program.

206

207 The forensic audit firm selected was Vicenti Lloyd Stutzman LLP (VLS). VLS set out to
208 evaluate the potential risks to the WCCUSD based on the Clay allegations through a Risk
209 Assessment. A Risk Assessment was necessary in order to identify possible incidents of, waste,
210 fraud and abuse within the WCCUSD \$1.8 billion School Bond Program and to rank them by
211 degree of potential risk: High, Medium or Low.

212 That Phase I report was delivered to the Subcommittee in January 2016.

213 In January 2016 the forensic auditors, VLS, provided a Phase II proposal listing areas within the
214 program that had the potential for waste, fraud and abuse. These risk areas were categorized
215 according to risk levels, High, Medium and Low.

216

**WCCUSD CITIZENS' BOND OVERSIGHT COMMITTEE
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217 Using the results of the Risk Assessment Report the Subcommittee had to decide if all the risk
218 areas should be fully investigated or if only the high and medium risk areas required further
219 investigation. They had to decide what was in the best interest of the School District, the Bond
220 Program and ultimately the community.

221 The Subcommittee accepted the recommendation by VLS, for a full investigation that
222 encompassed the High and Medium risk areas.

223 The committee's recommendation was submitted to the School Board. The School Board
224 approved the full forensic investigation. This forensic audit is currently ongoing. The results of
225 the investigation are expected by August 31, 2016.
226

227 The following table displays key data about the forensic accounting investigation:

Data	Information
Forensic Auditor	Vicenti Lloyd Stutzman LLP, 2210 E. Route 66, Ste. 100, Glendora, CA 91740, telephone 626.857.7300 also 915 Wilshire Boulevard, Ste. 2250, Los Angeles, CA 90017, telephone 213.550.5422; email info@vlsllp.com ; web www.vlsllp.com , Ernest C. Cooper, CPA, CFE, Partner
Special Legal Counsel	Kawahara Law APC, James K. Kawahara, President, Howard Hughes Center, 6080 Center Drive, 6 th Floor, Los Angeles, CA 90045; email james@kawaharalaw.com ; telephone 310.348.0070.
Scope of Phase I	Review Dennis Clay's complaint and supporting documents. Assess the risks of fraud, corruption or waste as follows: review of documents, interviews, and prepare fraud risk assessment matrix
Start of Phase I	October 7, 2015
End of Phase I	January 20, 2016
Phase I Budget (see detail below)	\$177,010
Scope of Phase II	Internal controls review and forensic accounting investigation based on the recommendations from Phase I
Start of Phase II	January 21, 2016
End of Phase II	August 31, 2016 (projected)
Phase II Budget (see detail below)	\$ 893,951

228

229 The table below displays the budget for the forensic accounting investigation:

230

231 This budget does not include District staff time or any charges by District vendors, if any, for
232 this forensic accounting investigation.

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Description	General Fund	Bond Funds	Total
Phase I Assessment of Risk (completed January 7, 2016)			
Vicenti, Lloyd Stutzman, LLP (VLS)- original contract		127,010	127,010
James K. Kawahara, Special Legal Counsel	50,000		50,000
Total Phase I	50,000	127,010	177,010
Phase II Forensic Audit (expected completion August 31, 2016)			
Vicenti, Lloyd Stutzman, LLP		725,224	725,224
James K. Kawahara, Special Legal Counsel	168,727		168,727
Total Phase II	168,727	725,224	893,951
Grand Totals			
Vicenti, Lloyd Stutzman, LLP		852,234	852,234
James K. Kawahara, Special Legal Counsel	218,727		218,727
Grand Total	218,727	852,234	1,070,961

233
234 See Appendix 22 for the VLS proposal approved by the Board of Education on January 20, 2016.

235 **Subcommittees**

236 Various Subcommittees have been established to further the oversight role of the CBOC. During
237 January 2015 to April 2016 twelve Subcommittees performed this role of which nine were active
238 as of April 2016: Annual Report, Audit, By-laws, Change Orders (merged with Cost Savings
239 Measures in August 2015), Cost Savings Measures (merged with Audit in October 2015), Data
240 Review (Dennis Clay Documents) (Formed May 2015 and dissolved in September 2015),
241 Executive, Reports, Pinole Valley High School, Site Tours, Training and Website

242 Each Subcommittee's type (ad hoc or standing¹¹), purpose, members¹², officers and activities are
243 reported in Appendix 18.

244 **Bond Sale February 28, 2015 \$135,000,000**

245 On February 26, 2015 the District closed on a \$135 million sale of bonds. The proceeds of the
246 sale will be used to fund construction projects at several sites around the District. The sale was
247 made up of \$50 million in bonds authorized by the voters in the 2010 Election (the "2015 Series
248 C bonds") and \$85 million in bonds authorized by the voters in the 2012 Election (the "2015
249 Series B bonds.") None of the debt was structured as CABs (capital appreciation bonds); all of
250 the bonds offered were current interest bonds with maturities ranging up to 40 years.
251

¹¹ A Standing Subcommittee has a "continuing subject matter jurisdiction" and is subject to the Brown Act open meeting requirements.

¹² Members who served on a Subcommittee anytime during the period January 2015 through April 2016 are listed as members of that Subcommittee.

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252 The maturities were structured to provide the most flexibility possible for the next few series of
 253 bonds the District anticipates issuing. Doing so is important because the District is approaching
 254 the maximum amount of debt that can be issued based on projected assessed valuation in coming
 255 years and the promised maximum tax rate of \$48 per \$100,000 of assessed value. KNN, the
 256 District's financial advisor, calculated that the True Interest Cost of the bonds was 4.05% and
 257 noted that all the maturities were oversubscribed. Investors in the bonds included both current
 258 and new institutional holders of the District's debt.
 259

260 Tom Panas

261 Bond Program Key Performance Indicators (KPI)

262 Key Performance Indicators (KPI) for the Bond Program are displayed below as of May 31,
 263 2016:

Key Performance Indicator	Amount
Number of voter approved bond measures	6
Amount of voter approved bond measures	\$1,630,000,000
Amount of bonds sold	1,297,407,191
Amount of bond not yet sold	332,592,809
Amount of bonds scheduled to be sold 2018-19	125,000,000
Amount of bonds scheduled to be sold 2020-21	130,000,000
Amount of bonds scheduled to be sold 2035-45	77,592,809
Amount of bond principal paid	198,985,943
Amount of bond interest paid	361,574,256
Total amount of funds received from other sources	216,321,677
Total program revenues to date	1,473,728,869
Total program expenditures to date	1,335,778,298
Cash on hand May 31, 2016	135,796,593
Average monthly spending March to May 2016	\$6,269,269

264

265 See Appendix 7 for details.

266 Bond Program Spending by School Site to Date

267 Bond Program Spending by School Site as of May 31, 2016 is displayed below:

Schools	Current Budget	Actual	Encumbrance	Balance
Elementary Schools	\$753,979,107	\$559,190,861	\$5,790,964	\$188,997,282
Middle Schools	215,103,680	211,370,543	2,676,782	1,056,355
High Schools	704,692,888	459,996,738	6,724,261	237,971,890
Closed Schools	3,791,827	3,868,993	2,092	(79,258)
Administration/Other	94,358,054	101,351,164	2,541,457	(9,534,567)
Grand Total	\$1,771,925,555	\$1,335,778,298	\$17,735,556	\$418,411,701

268

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269 See Appendix 8 for details for each school site.

270 **Bond Program Active Projects**

271 As of May 10, 2016 four projects were under constructions:

- 272 • Nystrom Elementary Modernization – 87% complete
- 273 • Lincoln Elementary School Building A exterior repairs – 100% complete
- 274 • Fred T. Korematsu Middle School – 98% complete
- 275 • El Cerrito High School Stadium – 99% complete

276

277 Note: Construction on the new Pinole Valley High School project has not started as of May 10,
278 2016.

279 See Appendix 9 for details by project.

280 **Construction Projects Completed 2015**

281 Fifteen projects whose total contract value, including change orders, was \$48,496,539.

282 See Appendix 10 for details by project.

283 **Construction Photos**

284 See Appendix 11 for the following construction photos:

- 285 • Ohlone Elementary School Phase 1 Campus Replacement/Phase 2 Demo
- 286 • Helms Middle School Environment & Recycling Center
- 287 • Montalvin Middle School New Classroom building
- 288 • Pinole Valley High School Off-Site Parking & Traffic Signal

289

290 **Committee Members Bios and Photos**

291 Bios and photos for Members who served on the CBOC from January 2016 thru April 2016 are
292 shown at Appendix 12.

293 **Recognition: Ivette Ricco**

294 On January 27, 2016 the CBOC honored retiring Chairperson Ivette Ricco and expressed its
295 appreciation and thanks for her six years of CBOC service and for her three years of leadership
296 as CBOC Chairperson. She made a difference!

297 See Appendix 13 for the Resolution Appreciation Ivette Ricco.

298 **Recognition: Nine Former CBOC Members Whose Service Ended in 2015**

299 On January 27, 2016 the CBOC expressed by Resolution their appreciation and thanks to nine
300 Members whose service ended in 2015: Tashia Flucas, Marianne Harrison, Kelvin Love, Norma

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301 Martinez-Rubin, James Oakley, Stephen Purser¹³, Maureen Toms, Tim Warner and Orlandus
302 Waters.

303 See the Resolution Appreciation CBOC Members 2015 at Appendix 14.

304 Membership by Categories Report

305 The Membership by Categories displays for each of the seventeen authorized CBOC categories:

- 306 • Category
- 307 • Nominated by
- 308 • Member's Name
- 309 • Office, if any
- 310 • Date(s) Board approved
- 311 • Term ends
- 312 • Term #

313 See Appendix 15 for the Membership by Categories Report as of April 27, 2016.

314 Committee Meetings

315 During 2015 the CBOC held thirteen meetings, a quorum of members was present for each
316 meeting:

- 317 • Regular Meetings – 10
- 318 • Joint Meetings with the Board of Education – 2
- 319 • Special Meeting – 1

320
321 A description of the date, start time, end time, members present, members absent, quorum and
322 activities for each of the thirteen meetings is show at Appendix 17.

323 Agenda Packets, meeting minutes and audio recordings for each meeting are available on the
324 CBOC website <http://wccusd-bond-oversight.com>.

325 Website Index

326 An index to key documents on the CBOC website is found at Appendix 6.

¹³ Mr. Purser was reappointed to the CBOC on March 2, 2016.

APPENDIX 1

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
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**GENERAL OBLIGATION BONDS AND
PROPOSITION 39
(55% LOCAL VOTE BONDS)**

**CITIZENS OVERSIGHT
COMMITTEES
REQUIREMENTS**

September 24, 2001

by

Bowie, Arneson, Wiles & Giannone

1. BACKGROUND

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act (School Facilities; 55% Local Vote; Bonds, Taxes; Accountability Requirements). Within the text of Proposition 39 various accountability requirements, including requirements for certain types of audits, were specifically required. In an effort to increase voter acceptance for Proposition 39, the California Legislature passed, and Governor Davis signed, Assembly Bill 1908 (“AB 1908”), which provided additional requirements relative to school district general obligation bond elections conducted pursuant to Proposition 39. Those requirements included provisions for school districts^{*} conducting Proposition 39 elections and thereafter establishing and appointing members to a Citizens Oversight Committee (“Committee” or “Citizens Oversight Committee”), as required by Education Code Section 15278, *et seq.* as put into place pursuant to AB 1908, are discussed herein.

^{*} In general the stated requirements apply in the same manner to community college districts.

2. LEGAL REQUIREMENTS

The provisions of AB 1908, largely contained in Education Code Sections 15278, *et seq.*, provide specific legal requirements relative to Citizens Oversight Committees. These legal requirements include the purpose of the Committee, the establishment and appointment of members to the Committee, authorized activities of the Committee, membership on the Committee meeting and procedural requirements applicable to such Committee and limitations and requirements relative to school district support of the Committee. Each of these matters is discussed below. We have also included a discussion

relative to recommended actions to be taken by the school district concerned relative to Citizens Oversight Committees.

It should be noted that the requirements relating to Citizens Oversight Committees are only applicable to general obligation bond measures which are called pursuant to the provisions of Proposition 39 and the related legislation. These specific legal requirements are not applicable to general obligation bond measures called pursuant to the previously existing statutes (66-2/3% favorable voting requirement) although the school district calling such a general obligation bond measure may wish to reference a citizen's committee and form a citizen's committee under such requirements and guidelines as the school district shall direct.

3. PURPOSE OF THE COMMITTEE

____As stated by AB 1908, the purpose of the Committee shall be to inform the public at least annually in a written report concerning the expenditure of the bond proceeds. In carrying out this purpose the Committee shall:

- (a) Actively review and report on the proper expenditure of taxpayers' money for school construction;
- (b) Advise the public as to whether the school district is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution, which provides that:
 - (i) Bond funds are expended only for 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;
 - (ii) No bond funds are used for any teacher or administrative salaries or other school operating expenses;
 - (iii) A list of projects to be funded was included on the ballot;
 - (iv) An annual independent performance audit is performed; and
 - (v) An annual independent financial audit is performed.

4. COMMITTEE APPOINTMENT AND MEMBERSHIP

Education Code Section 15278(a) requires that if the bond measure called pursuant to Proposition 39 and the related legislation is successful, the committee must be established, and the initial members of the committee must be established within sixty (60) days after the date that the governing board of the school district enters the results of the bond election on its minutes.¹ The governing board of the school district also appoints the members of the Committee. The governing board of the school district may

also adopt policies, guidelines and procedures to be applicable to the Committee once it is established. We recommend that the policies, guidelines and procedures be adopted before the members of the Committee are selected.

The Committee shall consist of at least seven (7) members (and may be larger) to serve for a term of two (2) years, without compensation, and for no more than two (2) consecutive terms. The Committee may not include any employer or official of the school district or any vendor, contractor, or consultant of the school district. The Committee must include all of the following:

¹ Following the bond election date for a Proposition 39 general obligation bond election, the County Registrar of Voters will provide the school district calling the election with the formal results of the election in the form of a Certificate of Election Results. The governing board of the school district is to enter the results of such election into its minutes and to certify such proceedings to the County Superintendent of Schools (this is normally done in the form of a resolution adopted by the governing board of the school district concerned). That resolution should be promptly provided to the County Superintendent of Schools. This action is normally taken at the next regular meeting of the governing board of the school district after the certification of election results is received. This action must occur before the issuance and sale of the authorized bonds and can be approved by the school district's governing board.

- (a) One member who is active in a business organization representing the business community located within the school district;
- (b) One member active in a senior citizen's organization;
- (c) One member active in a bona fide taxpayer association;
- (d) For a school district, one member shall be the parent or guardian of a child enrolled in the district. For a community college district, one member shall be a student who is both currently enrolled in the district and active in a community college group, such as student government. The community college student member may, at the discretion of the board, serve up to six months after his or her graduation; and
- (e) For a school district, one member shall be both a 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. 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.

As to whether a single individual may fill more than one of the five membership requirements set forth above, there is not unanimity of opinion. On the one hand it may be argued that the legislation indicates at least five different members to encourage different viewpoints. On the other hand, and particularly in smaller communities where citizens available to serve on a Committee may be limited, there is a viewpoint that believes that a single individual can represent more than one of the five requirements, for example, an individual who is both active in a senior citizen's organization and also active in a bona fide taxpayer association. Individual school districts should consult with their bond counsel relative to selecting members for the Citizens Oversight Committee once they pass a general obligation bond measure pursuant to the provisions of Proposition 39 and the related legislation.

Members of the Committee are expressly subject to the requirements and limitations of Government Code Section 1090, *et seq.* (which prohibits involvement in public agency contracts) and Government Code Section 1125, *et seq.* (which

prohibits incompatible public offices). It may be desirable to provide copies of the statutory provisions to members of the Committee and to incorporate them within the Committee guidelines or policy.

5. ACTIVITIES OF THE COMMITTEE

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

- (a) Receive and review copies of the annual performance audit (as prepared pursuant to the requirements of Proposition 39);
- (b) Receive and review copies of the annual financial audit (as prepared pursuant to the requirements of Proposition 39);
- (c) Inspect school facilities and grounds to insure that bond funds are expended for the purposes set forth in the bond measure approved by the voters;
- (d) Receive and review copies of any deferred maintenance proposal or plans developed by the school district;
- (e) Review efforts by the school district to maximize bond revenues by implementing cost-saving measures, including, but not limited to:
 - (i) Mechanisms designed to reduce the cost of professional fees;
 - (ii) Mechanisms designed to reduce the costs of site preparation;
 - (iii) Recommendations regarding the joint use of core facilities;
 - (iv) Mechanisms designed to reduce costs by

incorporating efficiencies in school site design; and

- (v) Recommendations regarding the use of cost-effective and efficient reusable plans.
- (f) The Committee shall issue regular reports of the results of its activities. The Committee must issue at least one report each year.

6. MEETING PROCEDURES OF THE COMMITTEE

- (a) Regular meeting dates, time, and place shall be established by the Committee and published/posted in accordance with the Ralph M. Brown Act and applicable school district procedures. All Committee proceedings shall be open to the public and shall be subject to the provisions of the Ralph M. Brown Act (the same statutes that govern school district governing board meetings); and
- (b) All documents received by the Committee and reports issued by the Committee shall be a matter of public record.

7. DISTRICT SUPPORT OF THE COMMITTEE

The governing board of the school district, without any use of bond funds, must provide the Committee with:

- (a) Any necessary technical assistance and administrative assistance in furtherance of the Committee's purpose; and
- (b) Sufficient resources to publicize the conclusions of the Committee (including establishing, operating and updating the Committee Internet Website).

8. COMMITTEE INTERNET WEBSITE

Education Code Section 15280(b) requires that certain documents relating to the Committee be made available on an internet website maintained by the school district. The cost to operate, maintain and update the internet website are the responsibility of the school district. The website may be included within an existing website operated by the school district or may be operated separately. The following documents and information must appear on the Committee internet website:

- (a) Minutes Committee meetings;
- (b) Reports issued by the Committee; and
- (c) Documents received by the Committee.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

APPENDIX 2

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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EXHIBIT B

FULL TEXT BALLOT PROPOSITION
OF THE WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
BOND MEASURE ELECTION JUNE 8, 2010

“WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT STUDENT SAFETY/CLASSROOM REPAIR MEASURE. To make schools safe, complete essential health/safety repairs, qualify for State matching grants, shall West Contra Costa Unified School District upgrade schools for earthquake safety/handicap accessibility, remove asbestos, upgrade restrooms, vocational classrooms/technology/energy systems to reduce costs, install lighting and security systems, acquire, repair, construct, equipment/sites/facilities, by issuing \$380,000,000 in bonds within legal rates and bonding capacity limits with independent audits, citizen oversight, and no money for administrators’ salaries?”

PRIORITY SCHOOL PROJECTS LIST

The Board of Education of the West Contra Costa Unified School District certifies that it evaluated the District’s urgent and critical school needs, including school and student safety issues, enrollment trends, class size, overcrowding, energy efficiency and computer technology, seismic safety requirements, and aging, outdated or deteriorating school buildings in developing the scope of projects to be funded, as outlined in the West Contra Costa Unified School District 2010 Bond Program approved by the Board of Education on March 3, 2010, and incorporated herein. In developing the scope of projects, parents, teachers, staff, students and community members have prioritized the key health and safety and sustainability needs so that the most critical school site needs are addressed. The Board conducted a thorough evaluation at all school sites and received public input and review in developing the scope of school projects to be funded, as listed in the 2010 Bond Program. This input concluded that if these needs were not addressed now, the problems would only get worse and more expensive to address in the future. In approving this Priority School Projects List, the Board of Education determines that:

- o All students should have access to comparable academic and extracurricular facilities.
- o Retaining and attracting excellent teachers is a critical element of our facility plans.
- o All of its schools should be safe learning environments, free from gang or drug influence.
- o The improvement of school facilities should help the local economy by creating construction jobs for local businesses.
- o In repairing aging school buildings and classrooms, priority shall be given to basic repairs, such as replacing outdated plumbing, piping, electrical and sewer systems.
- o All schools should have energy efficient lighting, heating and ventilation systems that conserve electricity and save on costly utility bills.
- o All energy efficiency cost savings should be redirected to the classrooms and schools.
- o Out-of-date schools increase the potential for student violence and make it difficult to evacuate schools quickly during an emergency.

- o High schools must increase the opportunities for vocational and career tech education such as technology skills training, so that students who do not go to college have the opportunity to learn valuable job skills and get good-paying jobs when they graduate high school.
- o Since students need physical education programs to stay away from gangs/drugs, focus and perform well in school, the District should fund essential projects necessary for physical education programs important for student health and academic performance.
- o Eligibility for State matching grants is vital to the success of our school construction plans.
- o Upgrading computer technology and energy efficiency is necessary at every school.
- o All bond money must be spent entirely in the District with no money for administrators' salaries and no money shall be transferred to the State.

The 2010 Bond Program is on file at the District Superintendent's Office and includes the following types of projects:

School Renovation, Repair and Upgrade Projects

Goal and Purpose: To ensure compliance with handicap accessibility requirements, give students and teachers the resources they need to excel and for students to be prepared for college and the real world when they graduate, schools will benefit from the renovation, repair and upgrade of deteriorating, outdated school buildings, science labs, classrooms, computer learning centers and school libraries and equipment, such as:

- o Repair, upgrade and replace worn-out leaking roofs.
- o Replace existing wiring systems to meet current electrical and accessibility codes.
- o Additional electrical service capacity to relieve currently overloaded electrical systems.
- o Replace existing water, sewer, plumbing and storm drain systems to meet current codes, including the elimination of lead-containing fixtures.
- o Upgrade aging and deteriorating school restrooms.
- o Replace older ceilings, heating, ventilation, air conditioning and lighting systems with building code compliant, energy efficient systems.
- o Install code-compliant ventilating systems in restrooms.
- o Provide improved, upgraded computer labs.
- o Upgrade and equip classrooms, science labs, multipurpose rooms, physical education facilities, kitchens, auditoriums, libraries, arts and music rooms, childcare, preschool, adult education and educational support spaces.
- o Classroom interiors will receive new paint, carpet/vinyl tile/asbestos abatement, white markerboards, tackable surfaces, storage-for instructional materials and equipment.
- o Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades including site access, parking, staff and student restrooms, relocation of some existing electrical devices, drinking fountains, playground equipment, etc.

- o Replace old, portable classrooms.
- o Repair aging schools.

**School Health, Safety and Security, Earthquake Safety
and Energy Efficiency School Projects**

Goal and Purpose: To ensure that the learning process is not interrupted by gangs and drugs or juvenile crime, to maintain healthy students and improve daily attendance, to help attract and retain excellent teachers, and to deter vandalism, schools and school sites will benefit from a variety of health and safety projects, such as:

- o Install new security systems, such as security (surveillance) cameras, outdoor lighting, fencing, gates and classroom door locks.
- o Remove or abate asbestos, lead paint, mold and hazardous materials.
- o Upgrade emergency communication systems.
- o Fire alarm systems upgraded to automatic systems, repair fire safety equipment, add sprinklers and fire safety doors.
- o Upgrades to schools to meet handicap accessibility requirements.
- o Acquire and install a card access system.
- o Inspect for/repair gas pipe leaks.
- o Replace/upgrade existing signage, bells and clocks.
- o Install/replace/upgrade security fencing, cameras and exterior lighting, and establish a standard of complete fencing in good repair at all schools.
- o Replace/upgrade existing security and irrigation systems.
- o Install energy efficient systems, including solar panels, energy efficient heating, ventilation and cooling systems for cost savings and energy efficiency.
- o Replace existing window systems with energy efficient systems.
- o Upgrade site playground equipment replacement to meet current safety standards.
- o Relocate or improve student drop-off areas for safety, including a separate area for buses.
- o Inspect and improve play area fields for safety and drainage.
- o Replace existing doors, doorframes and ceilings.
- o Add emergency exits for faster evacuation in an emergency.
- o Upgrade school site parking, utilities and grounds.
- o Repair termite damage to structures and doors/doorframes.
- o Strengthen and repair schools and classrooms vulnerable to serious damage in a major earthquake, as required by State law.

**District-Wide Wiring and Instructional Technology
For Effective Learning Environment and Job Training Projects**

Goal and Purpose: To upgrade computer technology, improve both current instruction methods and to expand job training programs by applying modern technology infrastructure such as:

- o Provide and maintain upgraded technology, data and communication equipment.
- o Upgrade and expand wireless systems, telecommunications, Internet and network connections.
- o Upgrade and replace computers, hardware and software systems.
- o Upgrade and replace classroom furniture, equipment and instructional aids.
- o Upgrade media and audio/visual equipment.
- o Expand bandwidth to allow students greater access to the Internet.
- o Install up-to-date learning technology and equipment used in job training programs.

**New Construction Education Enhancement/Class Size
Reduction Projects at School Sites**

Goal and Purpose: To ensure that all students have access to comparable schools throughout the District, some schools would benefit from the construction and expansion of additional earthquake and accessibility code compliant facilities, such as:

- o Multi-Purpose rooms, including the cafeteria, serving kitchen, staff and student bathrooms, storage, educational support spaces, and classrooms.
- o New classrooms/classroom buildings, which will reduce dependency on portable classrooms.
- o Lunch shelters, playground equipment and playground storage for outdoor activities.
- o ADA accessibility upgrades as mandated by the Division of the State Architect (DSA).
- o Additional electrical service capacity.
- o Additional staff and student restrooms.
- o Additional staff, visitor and student parking/drop-off areas.

Listed building, repair and rehabilitation projects and upgrades will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the listed repair and construction projects stated above, the Priority School Project Lists and the 2010 Bond Program also include the acquisition of a variety of instructional, maintenance and operational equipment, including the reduction or retirement of outstanding lease or capital facility note obligations including interim funding incurred to advance fund projects from the Priority School Projects List, or the reimbursement of the District for such reduction, as well as reimbursement for the costs of selling certain prior Measure M, D and J bonds, the construction of new schools, if necessary to serve

students. the acquisition of land, the construction or remodeling of administrative support spaces, installation of signage and fencing, the payment of the costs of preparation of all facility planning, facility assessment reviews, facility master plan updates, environmental studies (including environmental investigation, remediation and monitoring) and construction documentation, gymnasium upgrades, temporary housing of dislocated District activities caused by bond projects and the completion of projects authorized under the District's Measure M, Measure D, and Measure J projects, previously approved by the voters. The upgrading of technology infrastructure includes, but is not limited to, computers, LCD projectors, portable interface devices, servers, switches, routers, modules, sound projection, card access systems, laser printers, digital white boards, document projectors, upgraded voice-over IP, call manager and network security/firewall, and other miscellaneous equipment and software. In addition to the projects listed above, the repair and renovation of each of the existing school facilities may include, but not be limited to, some or all of the following: renovation of student and staff restrooms; repair and replacement of heating, air conditioning and ventilation systems; upgrade of facilities for energy efficiencies and to reduce fire risks; repair and replacement of worn-out and leaky roofs, windows, walls doors and drinking fountains; installation wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; repair and replacement of fire alarms, emergency communications and security systems; resurfacing or replacing of hard courts, turf and irrigation systems and campus landscaping; build/renovate new gymnasiums, pools and high school stadiums; upgrade or replace inadequate libraries, multi-purpose rooms and kitchens; upgrade locker rooms; install lunch shelters, artificial turf, and bleachers; improve sanitation and recycling; expand parking; build new stadium; install interior and exterior painting and floor covering; replacement of portable classrooms; installation of covered walkways or shelters; addition of administrative support spaces; upgrade school site kitchens; repair rubberized play apparatus surfaces; demolition; and construction of various forms of storage and support spaces; upgrade classrooms; repair, upgrade and install interior and exterior lighting systems; replace water and sewer lines and other plumbing systems; and replace outdated security fences and security systems. 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 will not be able to complete some of the projects listed above. Some projects may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. Possible joint-use projects could include any of the following at various school sites: libraries, gymnasiums, athletic facilities, daycare centers, preschools and career technology centers. The budget for each project is an estimate and may be affected by factors beyond the District's control. The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating more enhanced and operationally efficient campuses. Necessary site preparation/restoration may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing or installing irrigation, storm drain, and utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to bond projects. Bond proceeds shall only be expended for the specific purposes identified herein. In order to fund the projects and prior to the issuance of any bonds authorized by this Measure, the District may seek a waiver from the State Board of Education of the applicable bonding limit requirements of Section 15106 of the Education Code. The District shall create an

account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.

NO ADMINISTRATOR SALARIES. PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE USED ONLY FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION, OR REPLACEMENT OF SCHOOL FACILITIES, INCLUDING THE FURNISHING AND EQUIPPING OF SCHOOL FACILITIES, AND NOT FOR ANY OTHER PURPOSE, INCLUDING TEACHER AND SCHOOL ADMINISTRATOR SALARIES AND OTHER OPERATING EXPENSES.

FISCAL ACCOUNTABILITY. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. BY LAW, PERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE (EDUCATION CODE SECTION 15278 ET SEQ.) TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS' OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATION OF A BONA FIDE TAXPAYERS ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS ORGANIZATION. NO DISTRICT EMPLOYEES OR VENDORS ARE ALLOWED TO SERVE ON THE CITIZENS' OVERSIGHT COMMITTEE.

APPENDIX 3

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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EXHIBIT B

Measure E
2012

FULL TEXT BALLOT PROPOSITION
OF THE WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
BOND MEASURE ELECTION NOVEMBER 6, 2012

“WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT STUDENT SAFETY/CLASSROOM REPAIR MEASURE. To make schools safe, complete essential health and safety repairs, qualify for State matching grants, shall West Contra Costa Unified School District:

- upgrade schools for earthquake safety and handicap accessibility,
- remove asbestos,
- upgrade science labs,
- upgrade restrooms, vocational classrooms, technology and energy systems to reduce costs,
- install lighting and security systems,
- acquire, repair, construct equipment, sites and facilities

by issuing \$360,000,000 in bonds within legal rates and bonding capacity limits with independent audits, citizen oversight, and no money for administrators’ salaries?”

PROJECT LIST

The Board of Education of the West Contra Costa Unified School District certifies that it evaluated the District’s urgent and critical school needs, including school and student safety issues, enrollment trends, class size reduction, overcrowding, energy efficiency and computer technology, seismic safety requirements, and aging, outdated or deteriorating school buildings in developing the scope of projects to be funded. In developing the scope of projects, the District has prioritized the key health and safety and sustainability needs so that the most critical school site needs are addressed. The Board conducted an evaluation at all school sites and received public input in developing the scope of school projects to be funded. This input concluded that if these needs were not addressed now, the problem would only get worse and more expensive to address in the future. In approving this Project List, the Board of Education determines that the District should:

- (i) Provide classrooms for job training to prepare students for the workforce.
- (ii) Upgrade classrooms to support core academics, math, science, reading and writing.
- (iii) Upgrade computer and science labs.
- (iv) Qualify for millions of dollars of State matching funds.
- (v) Provide good after-school program space so kids are safe from gangs and drugs.
- (vi) Adhere to specific FISCAL ACCOUNTABILITY safeguards such as:
 - (a) Sacramento will be prohibited from taking any of the funds raised.

- (b) All expenditures will be subject to annual independent financial audits.
- (c) No funds will be used for administrators' salaries and pensions.
- (d) All funds will be subject to local control and provide improvements, at all of our schools.
- (e) An independent citizens' oversight committee will be appointed to ensure that all funds are spent only as authorized.

The Project List includes the following types of projects:

School Renovation, Repair and Upgrade Projects

Goal and Purpose: Schools will benefit from the renovation, repair and upgrade of deteriorating, outdated school buildings, science labs, classrooms, computer learning centers and school libraries and equipment, to ensure compliance with handicap accessibility requirements and that students and teachers have the resources they need to excel and students be prepared for college and the real world when they graduate:

- Repair, upgrade and replace worn-out leaking roofs.
- Replace existing wiring systems to meet current electrical and accessibility codes.
- Additional electrical service capacity to relieve currently overloaded electrical systems.
- Replace existing water, sewer, plumbing and storm drain systems to meet current codes, including the elimination of lead-containing fixtures.
- Upgrade aging and deteriorating school restrooms.
- Provide improved, upgraded computer labs.
- Upgrade and equip classrooms, science labs and multipurpose rooms and facilities.
- Federal and State-mandated Americans with Disabilities Act (ADA) accessibility upgrades.
- Replace old, portable classrooms.
- Upgrade aging schools.

School Health, Safety and Security, Earthquake Safety and Energy Efficiency School Projects

Goal and Purpose: To ensure that the learning process is not interrupted by gangs and drugs or juvenile crime, to maintain healthy students and improve daily attendance, to help attract and retain excellent teachers, and to deter vandalism, schools and school sites will benefit from a variety of health and safety projects, such as:

Student Safety

- Install new security systems, such as security (surveillance) cameras, outdoor lighting, fencing, gates and classroom door locks.
- Remove or abate asbestos, lead paint, mold and hazardous materials.

- Upgrade emergency communication systems.
- Fire alarm systems upgraded to automatic systems, repair fire safety equipment, add sprinklers and fire safety doors.
- Upgrades to schools to meet handicap accessibility requirements.
- Replace/upgrade existing signage, bells and clocks.
- Upgrade site playground equipment replacement to meet current safety standards.

Energy Efficiency-Returning Savings to the Classrooms.

- Install energy efficient systems, including solar panels, energy efficient heating, ventilation and cooling systems for cost savings and energy efficiency.
- Replace existing window systems with energy efficient systems.
- Replace older ceilings, heating, ventilation, air conditioning and lighting systems with building code compliant, energy efficient systems.

**District-Wide Wiring and Instructional Technology
For Effective Learning Environment and Job Training Projects**

Goal and Purpose: To upgrade computer technology, improve both current instruction methods and to expand job training programs by applying modern technology infrastructure:

- Update computer labs.
- Provide and maintain upgraded technology, data and communication equipment.
- Upgrade and expand wireless systems, telecommunications, Internet access.
- Upgrade and replace computers, hardware and software systems.
- Upgrade and replace classroom furniture, equipment and instructional aids.
- Upgrade media and audio/visual equipment.
- Expand bandwidth to allow student greater access to the Internet.
- Install up-to-date learning technology and equipment used in job training programs.

Listed building, repair and rehabilitation projects and upgrades will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program/project management, staff training expenses and a customary contingency for unforeseen design and construction costs. In addition to the listed repair and construction projects stated above, the Project List also include the acquisition of a variety of instructional, maintenance and operational equipment, including the reduction or retirement of outstanding lease or capital facility note obligations including interim funding incurred to advance fund projects from the Project List, or the reimbursement of the District for such reduction, as well as the refinancing of outstanding general obligation bond debt of the District, the construction of new classrooms or schools, if necessary to serve students, the acquisition of land, the construction or remodeling of administrative support spaces, installation of signage and fencing, the payment of the

costs of preparation of all facility planning, facility assessment reviews, facility master plan updates, environmental studies (including environmental investigation, remediation and monitoring) and construction documentation, gymnasium upgrades, temporary housing of dislocated District activities caused by bond projects and the completion of projects authorized under the District's Measure M, Measure D, Measure J and 2010 Measure D projects, previously approved by the voters. The upgrading of technology infrastructure includes, but is not limited to, computers, LCD projectors, portable interface devices, servers, switches, routers, modules, sound projection, card access systems, laser printers, digital white boards, document projectors, upgraded voice-over IP, call manager and network security/firewall, and other miscellaneous equipment and software. In addition to the projects listed above, the repair and renovation of each of the existing school facilities may include, but not be limited to, some or all of the following: renovation of student and staff restrooms; repair and replacement of heating, air conditioning and ventilation systems; upgrade of facilities for energy efficiencies and to reduce fire risks; repair and replacement of worn-out and leaky roofs, windows, walls doors and drinking fountains; demolition of unsafe schools or facilities; installation wiring and electrical systems to safely accommodate computers, technology and other electrical devices and needs; repair and replacement of fire alarms, emergency communications and security systems; resurfacing or replacing of hard courts, turf and irrigation systems and campus landscaping; build/renovate new gymnasiums, pools and high school stadiums; upgrade or replace inadequate libraries, multi-purpose rooms and kitchens; upgrade locker rooms; install lunch shelters, artificial turf, and bleachers; improve sanitation and recycling; expand parking; build new stadium; install interior and exterior painting and floor covering; replacement of portable classrooms; installation of covered walkways or shelters; addition of administrative support spaces; upgrade school site kitchens; repair rubberized play apparatus surfaces; demolition; and construction of various forms of storage and support spaces; upgrade classrooms; repair, upgrade and install interior and exterior lighting systems; replace water and sewer lines and other plumbing systems; and replace outdated security fences and security systems. 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 will not be able to complete some of the projects listed above. Some projects may be undertaken as joint use projects in cooperation with other local public or non-profit agencies. Possible joint-use projects could include any of the following at various school sites: libraries, gymnasiums, athletic facilities, daycare centers, preschools and career technology centers. The budget for each project is an estimate and may be affected by factors beyond the District's control. The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating more enhanced and operationally efficient campuses. Necessary site preparation/restoration may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing or installing irrigation, storm drain, and utility lines, trees and landscaping, relocating fire access roads, and acquiring any necessary easements, licenses, or rights of way to the property. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to bond projects. Bond proceeds shall only be expended for the specific purposes identified herein. In order to fund the projects and prior to the issuance of any bonds authorized by this Measure, the District may seek a waiver from the State Board of Education of the applicable bonding limit requirements of Section 15106 of the Education Code. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.

APPENDIX 4

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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West Contra Costa USD

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 13A, 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. N03-0216; 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 13A, 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, ~~and, in the event the number of applicants exceeds the number of spaces available, shall conduct interviews of interested citizens and make recommendations to the Board for appointments.~~

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 a written all application form documents to the Facilities-Subcommittee Superintendent and CBOC Chair delineating the applicant's qualifications to serve on the CBOC. On this form applicants shall acknowledge their commitment to faithfully attend the meetings of the CBOC and to serve the best interests of the community.~~

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 have the authority at its sole discretion to select and 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 between 15 and 21 members. However, the Board shall determine the final size of the Committee.~~

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 ~~but not be limited to, at the discretion of the Board,~~ the following community members:

(1) Seven ~~One~~ 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, recommended by each City Council from the cities of El Cerrito, Hercules, Pinole, Richmond 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** ~~recommended by the County Supervisors of each respective~~ unincorporated areas if the district, **excluding sitting elected officials;**

~~(3) One member shall be recommended by each member of the Board of Trustees;~~

~~(3)~~(4) One member shall, at the time of appointment, represent the Contra Costa Building and Construction Trades Council.

~~(4)~~(5) 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.** ~~of Public Employees Union Local 1 (without being a district-employee).~~

(6) 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, XIII A, 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*

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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APPENDIX 5

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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**Recommendations Made to the Board of Education
January 2014 through April 2016**

Recommendations to Board of Education: "All recommendations approved by the Committee (CBOC) 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)." (Board Policy BP 7214.2)

The purpose of this report is to document the recommendations made by the CBOC to the Board of Education and to record the action taken by the Board, if any, on each recommendation. This report will be updated monthly.

Open Recommendations

Date CBOC Approved	Recommendation	Board of Education Response
11.16.15	Consider the role of Piper Jaffray & Company as the WCCUSD Bond Underwriter for any negotiated Bond Sale after the March 2016 Bond Sale.	No response
1.27.16	Follow-up on Vavrinek, Trine, Day & Co. LLP FY2014 Agreed Upon Procedures Examination recommendations.	No response
1.27.16	Report on unobligated bond funds available through December 31, 2021.	No response
1.27.16	Provide link to CBOC and Board Subcommittees on the WCCUSD website home page.	No response
1.27.16	Resolution recognizing retiring CBOC Chair Ivette Ricco.	No response
1.27.16	Resolution recognizing CBOC Members retiring from the Committee during 2015.	No response

Date CBOC Approved	Recommendation	Board of Education Response
3.23.16	Request Christy White Associates to provide the District with a copy of their FY2015 bond financial audit plan for the audit. Further that the District provide said audit plan to the CBOC Audit Subcommittee.	No response
3.23.16	That the FY2016 performance audit and financial audit include all Proposition 39 Ballot Measures (D-2002, J-2005, D-2010, and E-2012) revenues and expenditures incurred during FY2016.	No response
4.20.16	That the District prepare a report to the Board of Education and CBOC Audit Subcommittee about the action taken to implement each VTD recommendation made in their June 30, 2015 AUP Engagement Report.	No response
4.20.16	That the District voluntarily release the legal opinion supporting the use of bond funds to pay \$875,443 for the forensic audit.	No response

Rejected Recommendations

DateCBOC Approved	Recommendation	Board of Education Response
9.23.15	Eighteen FY2015 performance audit objectives	rejected
12.16.15	●bjection to Vavrinek, Trine, Day & Co. LLP agreement amendments in regards to the FY2015 performance audit and recommended eighteen-point performance audit objectives, not an eighteen point Agreed Upon Procedures Examination.	rejected
2.24.16	Bond performance audit FY2016 scope	Rejected at April 27, 2016 Board meeting.
3.23.16	Performance Audit Scope FY2016 (Resolution 16-4)	Rejected zt April 27, 2016 Board meeting.

Accepted Recommendations

Date CBOC Approved	Recommendation	Board of Education Response
7.30.14	Employ Vavrinek, Trine, Day & Company, LLP as the performance auditor for FY2014.	accepted
12.10.14	Prepare a facilities master plan	accepted
2.25.15	Accept FY2014 performance audit report.	accepted
5.27.15	Various in regards to Dennis Clay allegations.	accepted
7.15.15	Post Dennis Clay's allegations on the CBOC website.	Not accepted on the advice of the Special Legal Counsel to the Clay Investigation Subcommittee
7.15.15	Accept FY2014 Bond Financial Audit.	accepted
8.26.15	Response to Civil Grand Jury Report	accepted
8.26.15	Request for a legal opinion on having the FY2015 Bond Financial Audit Report as a separate report for the FY2015 District Audit Report.	accepted
10.28.15	The size and composition of the CBOC include nineteen (19) positions, composed of five (5) mandated positions, six (6) distributed by residents of the high school families, and the remaining eight (8) at large.	mostly accepted
10.28.15	Accept FY 2014 Agreed Upon Procedures Examination.	accepted

Date CBOC Approved	Recommendation	Board of Education Response
10.28.16	Contents of FY 2015 Bond Financial Audit Report	mostly accepted
12.16.15	Review the Primavera budget data.	Forensic auditor is doing this review.
1.27.16	Support full funding of Phase II of bond construction program forensic investigation.	accepted
2.24.16	Accept 2010 Measure D and 2012 Measure E Bond Building Fund WCCUSD Financial Audit Report FY2015	accepted
2.24.16	Monthly reports (11) for CBOC	In progress
2.24.16	Independent legal services agreement (revised) for Adam S. Ferber	In progress
3.23.16	Long Range Facilities Master Plan, Resolution 16-3.	accepted

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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APPENDIX 6

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
WEBSITE**

Website

The CBOC Website (<http://wccusd-bond-oversight.com>) is an excellent source of information about the CBOC. See list below of key documents available on this website:

Topic	Where to Access on Web Site Home Page
Agenda Packets	Agenda
Agreed Upon Procedures Reports	Library
Annual Reports	CBOC Annual Reports
Audio Recording of Meetings	Meeting, scroll down to CBOC Recordings
Board Policy	Regulatory Documents
Bond Measures	Bond Measure Language
Brown Act (Opening Meetings)	Regulatory Documents
By-Laws	Regulatory Documents
California Constitution	Regulatory Documents
California League of Bond Oversight Committees	Links
Chair's Reports	Reports
Clay Investigation	Clay Investigation Subcommittee
Coalition for Adequate School Housing	Links
Division of State Architects	Links
Education Code	Regulatory Documents
Elementary Schools	Elementary Schools
Facilities Master Plan	Facilities Master Plans and Plan Updates
Financial Audits	Audits
Forensic Audit	Clay Investigation Subcommittee
Frequently Asked Questions	FAQ
High Schools	High Schools
Library	Library
Master program schedule	Reports
Meeting Schedule	Meetings
Membership by Categories	Members
Middle Schools	Middle Schools
Minutes	Meetings
Office of Public School Construction	Links
Paid Invoices	Reports, Accounts Payable
Performance Audits	Audits
Proposition 39	Regulatory Documents
Purpose of CBOC	FAQ
Recommendations to Board of Education	Recommendations
Role of CBOC	FAQ
Staff Reports	Reports
Subcommittees	Meetings
Training Videos	Training Videos and Documents

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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APPENDIX 7

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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BOND PROGRAM KPI SUMMARY

Report # 1

Bond Information (Key Performance Indicators) for WCCUSD Bond Program as of May 31, 2016

Table 1 – Bonds Authorized

Bond Measures	Voter Approved		Bonds Issued					Bond Payments		
	Month Year	Amount(\$)	Latest Issue	Total Issued	Tax Rate per \$100k ⁴	Not Yet Issued	Scheduled Issues ⁵	Principal Paid	Finish Date	Interest Paid
¹ Msr 1998-E	Jun 1998	40,000,000	Jan 2001	40,000,000	\$8.70	0	0	21,470,000	Aug 2025	25,863,058
² Msr 2000-M	Nov 2000	150,000,000	Apr 2003	150,000,000	\$55.60	0	0	67,130,000	Aug 2032	78,850,113
³ Msr 2002-D	Mar 2002	300,000,000	Oct 2005	299,997,483	\$60.00	2,517	0	68,425,942	Aug 2034	97,161,178
³ Msr 2005-J	Nov 2005	400,000,000	Jun 2010	322,409,709	\$60.00	77,590,292	0	8,305,001	Aug 2036	120,911,901
³ Msr 2010-D	Jun 2010	380,000,000	Mar 2016	250,000,000	\$48.00	130,000,000	130,000,000	19,655,000	Aug 2045	26,419,591
³ Msr 2012-E	Nov 2012	360,000,000	Mar 2016	235,000,000	\$48.00	125,000,000	125,000,000	14,000,000	Aug 2045	12,368,415
Grand Totals		1,630,000,000		1,297,407,191	\$280.30	332,592,809	255,000,000	198,985,943		361,574,256

Table 2 – Funds From Other Sources

Source	Prior	2016	Total
⁶ School Facilities	139,062,526	2,715,045	141,777,571
⁷ Developer Fees	24,900,038		24,900,038
⁸ Interest Earnings	39,420,919	286,239	39,707,157
⁹ Net Transfers	(3,920,753)		(3,920,753)
¹⁰ Other Revenue	12,700,967	208,302	12,909,269
¹¹ Fund Adjustments	948,394		948,394
Total Other Revenue	213,112,092	3,209,586	216,321,677

Table 3 – Program Summary

Revenues	Actuals to Date
¹² Bonds Issued	1,297,407,191
¹ less: Msr 1998E	(40,000,000)
¹³ Other Revenue	216,321,677
Program Revenue	1,473,728,869
¹⁴ Audit Adjustment	(2,403,614)
¹⁵ School KPI Actuals	(1,335,778,298)
¹⁶ Net Retentions	249,637
Cash on Hand¹⁷	135,796,593

Table 4 – Average Monthly Spending

3 Months	6 Months	12 Months
6,269,269	6,122,626	7,314,612

BOND PROGRAM KPI SUMMARY
WCCUSD Bond Program as of May 31, 2016

Report # 1

Notes:

1. Measure 1998-E is not covered under Proposition 39 regulations for school bonds, and is not ordinarily reported in the Bond Program expenditure reports. The following schedule shows Measure 1998-E expenditures by site with state funded DeJean expenditures shown in a separate column.

School	1998E	State	Total
DeJean MS	23,994,285	12,841,930	36,836,215
Pinole Valley HS	190,571		190,571
Central	16,276,518		16,276,518
Grand Total	40,461,374	12,841,930	53,303,304

2. Measure 2000-M is not a Proposition 39 bond, but is included in Bond Program reporting because the original bond language required a "Citizens' Oversight Committee".
3. Measures 2002-D, 2005-J, 2010-D, and 2012-E are all authorized under Proposition 39, requiring public oversight through the Citizen's Bond Oversight Committee.
4. On issuing bonds the District must certify that the tax rate for the bonds will not exceed \$60 per \$100 thousand of property value. In addition, the District has a publicly stated goal for the 2010-D and 2012-E bonds of maintaining the tax rate at \$48 per \$100 thousand.
5. The expected issuance schedule below is from the KNN Public Finance presentation to the Facilities Sub-Committee on March 15, 2016.

Year	2010-D	2012-E	Total
2018-19	65,000,000	60,000,000	125,000,000
2020-21	65,000,000	65,000,000	130,000,000
Grand Total	130,000,000	125,000,000	255,000,000

See Other Notes regarding waivers.

6. School Facility revenues by school are:

School	Amount	School	Amount
Bayview	2,535,074	Nystrom	1,638,359
Coronado	401,400	Ohlone	2,403,971
Dover	7,286,188	Peres	1,468,479
Downer	4,834,933	Riverside	1,191,472
Ellerhorst	1,352,870	Sheldon	331,311
El Sobrante	369,339	Stewart	1,147,062
Fairmont	571,594	Tara Hills	1,501,831
Ford	7,245,372	Valley View	290,214
Grant	369,288	Verde	1,180,094
Lupine Hills	1,147,097	Washington	2,162,982
Harding	1,948,349	Wilson	323,957
Kensington	1,274,843	Helms Middle	3,781,072
King	2,531,648	Pinole Jr High	5,190,574
Lake	309,937	Korematsu MS	20,383,150
Lincoln	984,983	De Anza High	14,588,681
Madera	1,216,917	El Cerrito High	11,556,135
Mira Vista	1,528,265	Kennedy High	6,586,133
Montalvin	313,287	Richmond High	11,599,844
Murphy	1,595,572	Greenwood/LPS	16,635,294
Grand Total		Grand Total	141,777,571

7. In June 2007 \$24,900,038 of expenditures were transferred to the Capital Facilities Fund (Developer Fees). The District has reported this in project reporting as an increase to Program revenues. These transfers were limited to schools with assessed needs based on population growth.

BOND PROGRAM KPI SUMMARY
WCCUSD Bond Program as of May 31, 2016

Report # 1

Notes:

8. Interest earnings by Bond Measure or other funding source:

<u>Source</u>	<u>Prior</u>	<u>2016</u>	<u>Total</u>
2000 Measure M	4,967,794		4,967,794
2002 Measure D	14,785,928		14,785,928
2005 Measure J	1,373,462		1,373,462
Building Fund - Other	16,544,446	285,629	16,830,075
School Facility Fund	1,749,289	609	1,749,898
Grand Total	39,420,919	286,239	39,707,157

Unallocated interest derived from bond proceeds was posted to the undistributed resource (0000), and is shown in Building Fund - Other.

9. Net Transfers by Bond Measure or Funding source are shown below. Approximately 90% of all transferred amounts were from the Building Fund to the School Facility Fund to match State revenues.

<u>Source</u>	<u>Amount</u>
2000 Measure M	(11,939,439)
2002 Measure D	(11,099,851)
2005 Measure J	(12,625,650)
Building Fund - Other	1,934,111
School Facility Fund	29,810,076
Grand Total	(3,920,753)

Net transfers were to, or from, the following offsetting non-program resources or funds:

<u>Transferred From (To)</u>	<u>Amount</u>
1998 Measure E	6,077,014
General Fund (Resc 8150 - RRM)	(2,700,000)
Deferred Maintenance Fund	(5,158,224)
Building Fund (other revenues)	990,573
Capital Outlay Fund	750,138
Bond Interest & Redemption Fund	(3,042,495)
Debt Service Fund	(837,758)
Grand Total	(3,920,753)

10. Other Revenue by source:

<u>Revenue Source</u>	<u>Amount</u>
Vendors	
Alterra	108,000
Misc Vendors	678,172
Pacific Gas & Electric	136,099
SBC (E-Rate)	2,597,426
WLC Architects	100,000
Other	
2000M Bond Refinance	550,000
2005J Bond Premium	5,357,323
Bond Sales journaled at net	(964,575)
Cost of Issuance rebates	95,190
EI Portal Land Sale	836,291
FEMA - Riverside ES	906,437
Other	909
Pinole MS joint use	2,000,000
Retention corrections	138,295
Rosie the Riveter	169,440
San Pablo Economic Develop Corp	200,262
Grand Total	12,909,269

SBC (now AT&T) payments were primarily for "E-Rate" school subsidies. The remaining vendor payments are for cost reimbursements, contract or dispute settlements, or fee rebates.

In order to show Bond Sales correctly at the stated face value, a negative \$964,576 line item is included. The amount is from the District booking bond sales at net of costs of issuance for fiscal years 2013-14 and 2014-15.

The EI Portal Land Sale was originally posted to the Building Fund, but was later transferred. It is listed in the prior note as the transfer to the Debt Service Fund.

The Pinole MS joint use revenue was from an expired agreement with the City of Pinole for the school gym and sports fields.

BOND PROGRAM KPI SUMMARY
WCCUSD Bond Program as of May 31, 2016

Report # 1

Notes:

11. Fund Adjustments by Bond Measure and other funding source:

Adjustment	Amount
2000 Measure M	907,243
2002 Measure D	(99,877)
2005 Measure J	(58,278)
Building Fund - Other	199,306
Grand Total	948,394

Fund Adjustments by category:

Adjustment	Amount
Beginning Balances	218,257
Close Non-Bond Resources	(58,278)
FEMA Adjustment	805,260
FY 2006 Beginning Balance	0
Prior Year Correction	(16,845)
Grand Total	948,394

12. Bonds issued by fiscal year:

in thousands

Fiscal Year	1998E	2000M	2002D	2005J	2010D	2012E	Grand Total
1999	20,000						20,000
2000	10,000						10,000
2001	10,000	15,000					25,000
2002		40,000	30,000				70,000
2003		95,000					95,000
2004			100,000				100,000
2005			69,999				69,999
2006			99,998	70,000			169,998
2009				120,000			120,000
2010				132,410			132,410
2012					100,000		100,000
2014					40,000	85,000	125,000
2015					50,000	85,000	135,000
2016					60,000	65,000	125,000
Total	40,000	150,000	299,997	322,410	250,000	235,000	1,297,407

13. Total Other Revenue by bond or funding source:

Source	Prior	2016	Total
2000 Measure M	(3,938,956)		(3,938,956)
2002 Measure D	5,957,893		5,957,893
2005 Measure J	(5,732,024)		(5,732,024)
2010 Measure D	1,275,359	3,292,680	4,568,039
2012 Measure E	(612,848)	201,671	(411,177)
Building Fund - Other	18,323,722	(228,551)	18,095,171
Capital Facilities	24,900,038		24,900,038
School Facility	172,938,908	(56,214)	172,882,693
Grand Total	213,112,092	3,209,586	216,321,677

14. An audit adjustment increasing accrued payables (and decreasing cash) by \$2,403,614 million as of June 2015 was made in fiscal 2015-16. This had the effect of reducing expenditures in fiscal 2015-16.

15. Expenditures by bond or funding source are as follows:

Source	Prior	2016	Total
2000 Measure M	146,061,044	0	146,061,044
2002 Measure D	304,455,376	0	304,455,376
2005 Measure J	318,177,684	0	318,177,684
2010 Measure D	142,278,973	51,551,632	193,830,605
2012 Measure E	137,245,089	23,038,096	160,283,185
Building Fund - Other	15,187,673	0	15,187,673
Capital Facilities	24,900,038	0	24,900,038
School Facility	172,882,693	0	172,882,693
Grand Total	1,261,188,569	74,589,729	1,335,778,298

BOND PROGRAM KPI SUMMARY
WCCUSD Bond Program as of May 31, 2016

Report # 1

Notes:

16. The District retains up to ten percent of payments on construction contracts, and frequently makes payments to vendor trust accounts for the retained amounts. The trust accounts are reported as cash on the District's financial records. Net retainage liability, less cash in trust accounts, is as follows:

Account	Prior	2016	Total
Retentions	13,196,339	(2,812,772)	10,383,567
Trust Accounts	(12,562,085)	2,428,156	(10,133,930)
Net Retentions	634,254	(384,617)	249,637

17. Ending Cash on Hand by funding source is as follows:

Source	Beg Bal	2016	Total
2010 Measure D	49,235,083	11,785,162	61,020,245
2012 Measure E	45,952,798	25,916,052	71,868,850
Building Fund - Other	3,108,314	(200,817)	2,907,498
School Facilities	54,851	(54,851)	0
Grand Total	98,351,046	37,445,547	135,796,593

Other Notes:

There is a statutory limit to issuing bonds to 2.5% of the total assessed property valuations (AV) in the District. The District can get a waiver to this limit on a per bond basis. The waivers the District has received are listed in the following table. (KNN presentation to the Facility Sub-Committee on July 14, 2015).

Bond	Approved	Waiver	Granted	Expires
2002 Measure D	Mar-2002	3.00% of AV	Nov-2002	Nov-2007
2005 Measure J	Nov-2005	3.50% of AV	May-2009	May-2014
2010 Measure D	Jun-2010	5.00% of AV	Mar-2011	Dec-2021
2012 Measure E	Nov-2012	5.00% of AV	May-2013	Dec-2025

The following schedule shows the calculation of the availability to issue bonds based on this limit with a 5% waiver. (See KNN presentation to the Facility Sub-Committee on July 14, 2015). These amounts will change annually as a result of changing property tax assessments and bond principal payments.

Bond	2014-15	2015-16
Total Assessed Value	24,614,663,961	26,697,009,143
Waiver @ 5%	1,230,733,198	1,334,850,457
Outstanding Bonds	(900,147,930)	(997,652,606)
Bonds Sold	(135,000,000)	(125,000,000)
Principal Paid	29,639,543	30,199,482
Bonding Capacity	225,224,811	242,397,333

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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APPENDIX 8

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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**West Contra Costa Unified School District
Bond Program Spending by School Site
May 31, 2016**

Report # 2

Schools	Original Budget	Current Budget	Actuals	Encumb	Balance
Elementary Schools					
Bayview	17,732,392	18,926,097	19,850,802	0	(924,705)
Chavez	1,339,784	1,221,609	994,003	0	227,605
Collins	993,294	1,627,950	1,833,941	7,020	(213,011)
Coronado	11,278,047	42,778,309	41,944,194	248,043	586,072
Dover	13,070,243	33,891,743	35,184,280	66,274	(1,358,811)
Downer	28,819,079	33,350,762	33,617,866	39,859	(306,964)
Ellerhorst	11,238,341	12,909,131	14,134,299	0	(1,225,168)
Fairmont	10,971,356	35,246,946	3,956,255	10,196	31,280,495
Ford	11,839,322	31,642,900	30,896,634	0	746,266
Grant	1,409,600	1,888,360	1,950,813	2,674	(65,128)
Hanna Ranch	680,923	1,063,812	1,054,745	114,636	(105,568)
Harding	15,574,211	22,619,188	22,841,387	8,545	(230,744)
Highland	13,504,714	54,897,831	1,890,679	0	53,007,152
Kensington	16,397,920	19,056,864	19,625,616	9,002	(577,754)
King	16,688,732	25,309,778	25,301,717	54,557	(46,496)
Lake	822,657	1,645,712	1,518,179	2,261	125,272
Lincoln	15,225,821	17,314,352	17,681,132	7,172	(373,952)
Lupine Hills	16,111,242	15,982,926	15,685,249	0	297,676
Madera	11,088,764	12,524,010	12,407,506	0	116,504
Mira Vista	13,928,364	16,879,022	16,849,639	0	29,383
Montalvin	15,904,716	16,975,148	16,791,028	416	183,704
Murphy	13,554,495	15,642,288	15,849,565	0	(207,277)
Nystrom	20,999,690	49,486,844	38,620,760	4,178,630	6,687,454
Ohlone	14,174,928	34,559,046	34,080,301	489,342	(10,597)
Olinda	1,170,596	1,474,049	1,457,950	0	16,099
Peres	19,752,789	22,443,686	21,706,954	34,235	702,497
Riverside	13,439,831	14,839,144	14,611,005	0	228,139
Shannon	1,157,736	1,380,741	1,726,991	5,951	(352,201)
Sheidon	14,968,745	15,291,352	15,330,366	8,126	(47,140)
Stege	13,000,749	31,792,284	3,373,586	25,283	28,393,416
Stewart	12,710,427	16,724,195	16,948,267	7,220	(231,291)
Tara Hills	14,160,935	15,189,442	15,212,614	0	(23,173)
Valley View	11,117,405	35,394,192	8,806,171	394,824	26,193,197
Verde	15,709,690	16,231,040	16,293,189	0	(62,149)
Washington	14,051,720	15,478,771	15,322,847	0	155,924
Wilson	13,673,885	50,299,584	3,840,331	76,697	46,382,556
Elementary Schools Total	438,263,142	753,979,107	559,190,861	5,790,964	188,997,282
Middle Schools					
Crespi MS	1,205,711	1,134,024	1,604,197	601,887	(1,072,061)
Dejean MS	64,929	479,697	727,643	4,847	(252,793)
Helms MS	61,287,986	88,624,034	83,588,731	41,400	4,993,904
Hercules MS	602,982	515,226	699,000	0	(183,774)
Korematsu MS	37,937,901	70,781,527	67,919,896	2,007,300	854,331
Pinole MS	38,828,979	53,569,172	56,831,076	21,348	(3,283,252)
Middle Schools Total	139,928,488	215,103,680	211,370,543	2,676,782	1,056,355



**West Contra Costa Unified School District
Bond Program Spending by School Site
May 31, 2016**

Report # 2

Schools	Original Budget	Current Budget	Actuals	Encumb	Balance
High Schools					
De Anza HS	105,389,888	131,730,043	131,918,990	380,015	(568,962)
El Cerrito HS	93,605,815	149,047,560	144,176,047	443,558	4,427,955
Greenwood Academy / LPS	35,315,772	78,831,895	79,358,664	340,627	(867,396)
Hercules HS	12,603,343	30,403,028	4,068,686	18,000	26,316,342
Kennedy HS	89,403,130	37,895,795	34,377,844	719,097	2,798,854
Mid College HS	0	0	27,333	20,406	(47,739)
Pinole Valley HS	124,040,286	211,559,320	38,429,528	2,169,897	170,959,896
Richmond HS	94,720,910	58,523,927	20,158,480	2,623,341	35,742,105
Vista HS	3,566,208	6,701,320	7,481,165	9,321	(789,166)
High Schools Total	558,645,352	704,692,888	459,996,738	6,724,261	237,971,890
Closed Schools/Programs					
Adams MS	703,660	690,082	691,211	0	(1,129)
Cameron	284,012	284,012	242,138	2,092	39,781
Castro	11,901,504	651,957	620,944	0	31,013
Delta NSS	152,564	152,564	152,226	0	338
El Sobrante	187,343	505,382	536,231	0	(30,849)
Harbour Way Com Day	121,639	121,639	121,944	0	(305)
Kappa NSS	109,809	109,809	109,831	0	(22)
North Campus	169,849	201,662	492,569	0	(290,907)
Omega NSS	117,742	118,638	118,313	0	325
Seaview	178,534	510,649	499,116	0	11,533
Sigma NSS	110,728	110,728	110,949	0	(221)
Trans Learning Center	118,020	118,020	116,673	0	1,347
West Hercules Elementary	0	216,685	56,847	0	159,838
Closed Schools/Programs Total	14,155,404	3,791,827	3,868,993	2,092	(79,258)
Administration/Other					
Central	67,713,312	69,924,746	84,475,153	2,224,978	(16,775,385)
Information Technology	20,000,000	19,770,000	12,089,272	305,315	7,375,413
Alvarado Adult Ed	0	0	167,323	5,710	(173,033)
Richmond College Prep	8,148,550	4,663,308	4,415,204	0	248,104
Serra Adult Ed	0	0	204,212	5,454	(209,665)
Administration/Other Total	95,861,862	94,358,054	101,351,164	2,541,457	(9,534,567)
Grand Total	1,246,854,248	1,771,925,555	1,335,778,298	17,735,556	418,411,701

APPENDIX 9

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
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WCCUSD
Bond Program Project Status Report

School Type	#	Sub-Project Name	Architect of Record	Construction Contract Value	Notice to Proceed	Completion Date	Percent Complete+	Change Orders		Pending Change Orders		Notice of Completion
								Amount	%	Amount	%	
Elementary School	1	Nystrom Elementary School Modernization	Interactive Resources	\$21,188,102	8/25/14	12/18/15	87%	\$959,973.86	4.53%	\$46,317.00	0.22%	
	2	Lincoln Elementary School Bldg 'A' Ext Repairs	GDG	\$352,000	7/14/15	10/12/15	100%	\$29,960.45	8.51%	\$0.00	0.00%	5/25/2016
Middle Schools	3	Fred T. Korematsu Middle School Campus Replacement	HY Architects	\$42,762,406	5/13/13	12/29/15	98%	\$1,438,982.33	3.37%	\$76,939.13	0.18%	
	4	El Cerrito High School Stadium	WLC Architects	\$13,438,000	1/27/14	9/27/15	99%	\$938,176.00	6.98%	\$0.00	0.00%	
TOTALS								\$3,367,092.64	4.33%	\$123,256.13	0.16%	

+ = Percent complete values are pulled from most recent BOE Construction Status Reports.

* = Project will no longer be reported

(All Change Orders are BOE approved; NOC has been filed)

Citizen's Bond Oversight Committee
as of 5/10/16

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
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**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
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CONSTRUCTION COMPLETED PROJECTS JANUARY - DECEMBER 2015

No.	SCHOOL SITE	Description	Scope	Construction Contract Value	Approved Change Order Amount	Adjusted Contract Value	Notice of completion
1	Kennedy HS	Science Wing Renovation	Removal of all hazardous material, removal of all interior finishes, interior walls, ceilings, saw cutting and removal of portions of the concrete floor, mechanical, plumbing and electrical systems. Work also includes installation of new interior finishes, new doors and frames, patching of concrete slab, new casework, new mechanical, plumbing and electrical systems and fixtures.	4,136,303	224,561	4,360,864	1/21/2015
2	Ohlone ES	Phase 1 Campus Replacement/Phase 2 Demo	Construction includes site demolition of paving, fencing, demolition of existing temporary classroom buildings, site grading and storm drain installation, new underground utilities and services; Construction of new classroom building, new site improvement, landscaping, irrigation, paving, sidewalks, curbs & gutters, site furnishings in accordance with the contract documents.	16,961,000	2,435,925	19,396,925	1/21/2015
3	Helms MS	Environment & Recycling Center	Construction of new trash enclosure which includes demolition, cutting and patching of concrete paving and finishes, the relocation of utilities, construction of a masonry wall enclosure with gates and accessories. The District is to provide the trash bins and the installation of the compactor is not in contract.	118,500	-	118,500	2/11/2015
4	Murphy ES	Skylight Replacement	Removal of skylights, installation of new skylights and associated roof repairs.	56,000		56,000	2/11/2015
5	Pinole Valley HS	Interim Campus Site Work	Installation and connection of portables to new and existing utilities, site improvements and installation of site furnishings including but is not limited to the following: fire lane and ramp transition landings at grade; demolition/excavation as required to construct new paving; sewer domestic water, electrical & fire alarm connection to portables; installation of low voltage conduits; installation of perimeter chain link fencing; installation of shade structures; and installation of concrete retaining walls and concrete walkways.	5,530,000	1,124,746	6,654,746	2/11/2015
6	Ohlone ES	Playground & Parking Lot Completion Phase 4	Work in this Contract comprises general construction necessary for the site preparation for new asphalt and concrete paving for completion of the existing parking lot, coating and striping for completion of paving for the existing play area, underground utilities (electrical conduits, storm and fire water), new site lighting, landscaping including concrete planter boxes, irrigation, fencing, a new play structure, and new fire hydrant.	878,300	232,022	1,110,322	4/1/2015
7	Montalvin ES	New Classroom Building	Construction of a new 1-story classroom building (3964 Sq. Ft) with kitchen, restrooms and covered walkway at Montalvin Elementary School, and limited scope associated with service connections for the new classroom wing in existing building "C" South.	2,843,000	205,125	3,048,125	4/1/2015

CONSTRUCTION COMPLETED PROJECTS JANUARY - DECEMBER 2015

No.	SCHOOL SITE	Description	Scope	Construction Contract Value	Approved Change Order Amount	Adjusted Contract Value	Notice of completion
8	Harding ES	Exterior and Roof Repairs	Exterior wall repairs, window repairs, door repairs, refurbishing interior attic roof access, and minor associated roof system repairs. Work also includes roof repairs, including low slope and steep slope roofing systems.	918,600	57,708	976,308	5/6/2015
9	Pinole Valley HS	Off-Site Parking & Traffic Signal	Parking lot and street front improvements at two locations (Pinole Valley Community Church and Contra Costa County Library). Improvements include paving and striping, landscape & irrigation, new lighting, driveways and curb cuts, a new bus turn out, and the installation of one traffic & pedestrian crossing system and crosswalk on Pinole Valley Road.	833,833	101,416	935,249	5/6/2015
10	Downer ES	Playfield Renovations	The Project consists of the demolition of existing asphalt paving and miscellaneous items needed to build a new grass field including but not limited to, rough and finish site grading, irrigation, sod installation, landscaping, and site drainage. Electrical scope consisting of power and data connection to new irrigation controller and installation of infrastructure of empty conduits, junction boxes and pull strings for future low voltage systems.	563,226	31,232	594,458	5/6/2015
11	Kennedy HS	Digital Fabrication Lab Parking	Project consists of demolition/removal of sawdust collector fencing and removal of asphalt. Placement of new concrete paving and asphalt, including slurry sealing and painting of parking lot for ADA parking.	102,332	-	102,332	7/21/2015
12	Pinole Valley HS	Interim Campus AC Paving Repairs	Selectively re-compacting and repaving some of the pave areas in and around Pinole Valley HS Interim Campus that was damaged during the temporary housing construction.	33,500	-	33,500	7/21/2015
13	Kennedy HS	Digital Fab Lab	The project consists of, but is not limited to, the conversion of an existing 4,133 sf vocational shop into a computer/3D printing classroom and support offices. Work shall include selective demolition, wall construction, storefront installation, signage, upgrades to existing data, electrical, lighting and HVAC systems.	893,000	13,318	906,318	10/31/2015
14	Pinole Valley HS	Existing Campus Demolition	Demolishing and disposing of all existing buildings, including select portable buildings, building components, shade structures, covered walkways, site features and underground utilities. Upon removal of existing underground elements, the contractor shall backfill the trench with excavated soil materials and compact to 90% compaction.	1,823,500	125,669	1,949,169	11/18/2015

CONSTRUCTION COMPLETED PROJECTS JANUARY - DECEMBER 2015

No.	SCHOOL SITE	Description	Scope	Construction Contract Value	Approved Change Order Amount	Adjusted Contract Value	Notice of completion
15	Kennedy HS	Richmond Swim Center	Complete removal of the degenerated wood roof assembly over the natatorium and Hazardous Material Abatement associated with Demolition Work. Addition of a new roof diaphragm assembly consisting of steel cross bracing and metal decking in the natatorium. Addition of an operable skylight assembly over the natatorium with glass gable walls. Complete replacement of the natatorium HVAC system and lighting systems. Substantial reconfiguration of the existing swimming pool including new shell components, perimeter coping, plaster, tile, and underwater lighting. Relocation of an existing underground chlorine storage tank to an aboveground location. New interior wall finishes within the connecting corridor and natatorium. Site improvements include landscape, hardscape,	7,642,921	610,802	8,253,723	12/9/2015

TOTAL 48,496,539

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
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**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
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2 Ohlone ES

Phase 1 Campus Replacement/Phase 2 Demo

Construction includes site demolition of paving, fencing, demolition of existing temporary classroom buildings, site grading and storm drain installation, new underground utilities and services; Construction of new classroom building, new site improvement, landscaping, irrigation, paving, sidewalks, curbs & gutters, site furnishings in accordance with the contract documents.



3 Helms MS

Environment & Recycling Center

Construction of new trash enclosure which includes demolition, cutting and patching of concrete paving and finishes, the relocation of utilities, construction of a masonry wall enclosure with gates and accessories. The District is to provide the trash bins and the installation of the compactor is not in contract.



Montalvin ES

New Classroom Building

Construction of a new 1-story classroom building (3964 Sq. Ft.) with kitchen, restrooms and covered walkway at Montalvin Elementary School, and limited scope associated with service connections for the new classroom wing in existing building "C" South.



9 Pinole Valley HS

Off-Site Parking & Traffic Signal

Parking lot and street front improvements at two locations (Pinole Valley Community Church and Contra Costa County Library). Improvements include paving and striping, landscape & irrigation, new lighting, driveways and curbs cuts, a new bus turn out, and the installation of one traffic & pedestrian crossing system and crosswalk on Pinole Valley Road.



APPENDIX 12

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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CBOC Membership



Jon Ames, Parent Representative, 2015 – 2017

Subcommittee: Site Tours

Jon has three young children and his oldest daughter is a student at Valley View Elementary School. He grew up in Massachusetts, where he received an excellent public education. Jon then earned a Bachelor's degree in Mechanical Engineering from Carnegie Mellon in Pennsylvania. After this, he moved to Berkeley, where he completed a Master's Degree from UC Berkeley in Mechanical Engineering. Jon has designed industrial machinery for the Geo. M. Martin Company of Emeryville for the past 10 years. He thinks both creatively and technically, and can focus on both details and the big picture, making him an asset to the CBOC.



Mark Bordas, Student Representative, 2016 – 2018

Mark was appointed March 16, 2016 to the Citizens Bond Oversight Committee. Outside of his involvement with the CBOC, Mark is currently a junior at the newly constructed De Anza High School in Richmond, CA. At De Anza, Mark is concluding his first term as the Associated Student Body President and his second and last as the JROTC cadet corps commander. In addition to his activities within De Anza, he is also a representative on the WCCUSD Youth Commission, representing not only the voices of De Anza, but the voices of all students across our school district. As a newly appointed member on the CBOC, he hopes to provide powerful insight that can be beneficial to our WCCUSD student body as a whole; creating both a sense of unity and trust between our students and our district.



Margaret Browne, Richmond Resident, 2014 – 2016

Margaret has a BS from Knoxville College, Knoxville, Tennessee, and an MA and M. ED from Teachers College, Columbia University, New York, New York. Margaret taught for 20 years in Oakland and Richmond public schools and retired in 2008 after 18 years in the WCCUSD. Her last positions were at JFK High School and Kappa Continuation High School. She was active in the United Teachers of Richmond (UTR) and the California Teachers Association (CTA), serving on the UTR Executive Board and the CTA State Council of Education. Margaret is a CTA/NEA life member. She volunteers in the Writer Coach Connection and is on the boards of the West Contra Costa Retired Educators Scholarship Fund and Saffron Strand. She serves on the CBOC to support public schools.



Peter Chau, Richmond Resident, 2014 – 2018

CBOC Secretary 2015

Subcommittees: Bylaws (Chair), Pinole Valley High School, Clay Investigation

Peter was first appointed to in April 2014. He is a 12 year volunteer for public schools. Peter's interest in the CBOC is in holding the District accountable to promises made to voters.

CBOC Membership



Charles Cowens, Unincorporated Area Resident, 2016 – 2018
CBOC Member

Charley works as a technical writer for a software company. He graduated from UC Berkeley with a BA in Legal Studies. Both of his children attended WCCUSD schools through graduation. Charley is returning to CBOC after previously serving on CBOC for two terms, including holding the office of Secretary. His past school district involvement includes serving for 5 years as chair of the WCCUSD Community Budget Advisory Committee; working as an officer on PTA executive boards at the site, district, and county levels; and volunteering for school district parcel tax campaigns and a bond campaign. Charley is a member of the El Cerrito Democratic Club and the Contra Costa Taxpayers Association. He wants the CBOC to be a better watchdog and a better source of useful information for the public.



Tashia M. Flucas, Taxpayers' Organization, 2013 – 2015
Subcommittee: Audit, Site Tours (Chair), Cost Savings Measures (Chair)

Tashia is an entrepreneur and small business owner, who established TMF Accounting Services in 2001 and in 2005 opened her office in the city of Pinole. Prior to that she worked in corporate America as a staff accountant for various defunct dot com companies. She learned a lot about accounting, journal entries, the general ledger, and managing finances. All of the dot com experience helped her with venturing out and starting her own business. Being aware of the old motto about time being money. In fact, she's in the business of saving both time and money for her clients. Tashia builds relationships with both individuals and businesses. She provides expert, professional financial services, including Accounting, Tax Preparation Services, Payroll Processing, and QuickBooks Consulting.



Don Gosney, Richmond Resident, 2015 – 2017

Subcommittees: Bylaws (former Chair), Audit (former Co-Chair), Website (former Chair), Nystrom. Don was first appointed to the CBOC in 2008, and he served two terms. He was nominated by Trustee Kronenberg in 2105. Don attended public school in West County and graduated from JFK in 1972. He later studied theoretical physics at UC Berkeley and then worked for 46 years building petro-chemical complexes. Don is interested in serving on the CBOC because he says that every project needs another set of eyes looking at it to make sure it's done right, done economically, and done serving the best interests of the owner (in this case, the people). Don has worked with the Bond Program since before it first went to the voters 18 years ago.



Charlene Harlan-Ogbeide, Ed.D. San Pablo Resident, 2014 – 2016

Charlene earned a BA in Liberal Studies at San Francisco State University and a Masters' in Public Administration from Golden Gate University. She completed her Doctor of Education degree from Nova Southeastern University in Fort Lauderdale, FL, focusing on Educational Leadership. Charlene worked for over 20 years as a college professor and a Public School Administrator with the San Francisco Unified School District. She has also consulted for the California State Department of Education and spent eight years as the Director of Early Education with the Peralta Community College District in Oakland. At present, Charlene is an Educational Consultant and a classroom substitute teacher. She is actively involved in supporting her city of San Pablo and other communities in West County, where she sits on various boards and committees.



Dennis Hicks, Building Trades Council, 2016 – 2018
Subcommittees: Site Tours (Chair), Pinole Valley High School

Dennis previously served one term on the CBOC from August 2013 to July 2015. He is a graduate of El Cerrito High School and earned an AA from Contra Costa Community College. Dennis has 41 years of experience working as an Electrician. He has been a Member of the IBEW and Contra Costa Building and Construction Trades. During the last 16 of those years, he was working as a Construction Coordinator at a local Refinery. Dennis is a firm believer that our schools must be well built and maintained, without overburdening the taxpayers.

CBOC Membership



Anton Jungherr, Contra Costa Taxpayers Association Representative, 2015 - 2017

CBOC Secretary 2016

Subcommittees: Annual Report (Chair), Audit (Secretary), By-Laws, Executive, Reports, Training (Chair), Website

Anton was first appointed to the CBOC in 2004 and served as Secretary and Executive Director (volunteer) and Audit (co-chair). Anton is a Co-Founder of the California League of Bond Oversight Committees and has served as Board Director, and Executive Director. Anton served as Associate Superintendent Berkeley Unified School District, CA; Deputy Superintendent for San Francisco Unified School District, CA; Deputy Superintendent of Yonkers School District, NY. Anton is the co-author of *Operational PPBS (Planning-Programming-Budgeting-Systems) for Education*. He earned his Master of Education degree in Educational Administration from Columbia University, received a Master of Public Administration degree from Syracuse University and a B.S. in Business Administration from the University of Connecticut.



Chris Kelley, Hercules Resident, 2015 – 2017

CBOC Vice Chairperson 2016

Subcommittees: Annual Report, Reports, Executive, Bylaws

Chris was nominated to the CBOC by the Hercules City Council. Early in her career, she taught English as a Second Language in Taiwan & San Francisco, later on becoming a foreign student advisor. For the past 25 years, Chris has worked in human resources and administrative management for various small businesses in the fields of finance, marketing, design, and technology. She currently serves on the Hercules City Council, and co-chairs city subcommittees on public safety/traffic and economic development. Chris attended public schools K-12 in West L.A. She graduated from U.C.

Berkeley with a B.A., majoring in Political Science, with a concentration in Chinese politics; and a minor in Western Philosophy.



Norma Martinez-Rubin, Pinole Resident, 2010-2012 & 2013-2015

Subcommittee: Audit

Contra Costa County Supervisors Gayle Uilkema and Federal D. Glover nominated Norma to serve on the CBOC (Unincorporated Area category). Ms. Martinez-Rubin is a program evaluation consultant, public health educator, and trainer. She is a member of the Pinole Planning Commission, Pinole Oversight Board, and Pinole Historical Society. Norma attended public elementary and high schools in Los Angeles. She holds a Master of Public Health degree from UCLA and a Master of Business Administration degree, with emphasis in strategic planning, from John F. Kennedy University.



Antonio Medrano, Senior Citizen Organization, 2015 – 2017

Subcommittees: Audit

Antonio is a Retired Teacher, at both college and high school levels. He is also a Former School Board Trustee (2008-2012), community activist, and ACLU chapter chair for Berkeley/West County. Antonio is a Member of the WCCUSD Budget Advisory Committee and the Coalition for Immigrant Rights. He is a resident of Montalvin Manor in San Pablo.

CBOC Membership



Cameron "Mac" Moore, Parent and PTA, 2016 – 2018

Mac has lived in West County for 15 years and has two kids in WCCUSD schools. He has a B.A. in Mathematics and Anthropology from Middlebury College in Vermont, and an M.B.A. in Finance from New York University. After a career in finance in New York City, Mac has worked in the solar energy industry for over 20 years, most recently for a company that develops and operates large solar power projects. He joined the CBOC because he believes that all children should be able to attend safe and attractive public schools.

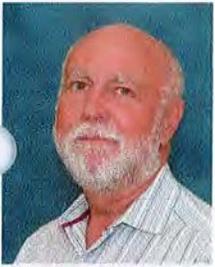


Tom Panas, El Cerrito Resident, 2015 – 2017

CBOC Chairperson 2016

Subcommittees: Audit (Chair), Executive (Chair), Reports

Tom has extensive experience with bonds and finance. He has a BS in Computer Science from Cal Poly and an MBA in Finance from UC Berkeley. Tom was awarded his CPA certificate in 1980 and has been the CFO at two software companies. In the community, Tom serves on the County Library Commission and is the treasurer and a board member of the Richmond Emergency Food Pantry, the El Cerrito Historical Society, and the Friends of the El Cerrito Library. He also serves on the Board of the El Cerrito Library Foundation. He has lived in West County since 1975 and was added to the El Cerrito Wall of Fame in 2014. He serves on the CBOC to help support West County schools.



Stephen Purser, Unincorporated Area Resident, 2016 – 2018

Subcommittees: PVHS, Site Tours

Stephen is currently serving his second two-year term as a representative from unincorporated Richmond. After receiving his public education in local public schools, he attended Contra Costa College and then transferred to San Jose State where he received his BA in health science and later a Masters' degree in Public Health and School Health. Stephen worked in the field of community health administration for 30 years and recently retired from the California Department of Public Health. Stephen is married and enjoys traveling and working in his garden.



Ivette Ricco, Pinole Resident, 2010 – 2016

CBOC Chairperson, 2013-2016

Subcommittees: Website (Chair), Change Order, Clay Investigation, Pinole Valley HS (Chair)

During her 30-year professional career, Ivette held the position of Vice President of Operations for Working Capital Company, a financial services corporation. Prior to this she was the National Coordinator for Student Loan Collections at Capital Credit Corporation. After retiring from her professional career, Ivette became a community and small business advocate. Ivette served as the Executive Director of the Pinole Chamber of Commerce and subsequently as President of the Pinole Chamber of Commerce. Ivette is a product of the New York City Public School System.

Ivette believes that public education in the USA should be the best in the world and has worked to make a difference in the West Contra Costa School District.



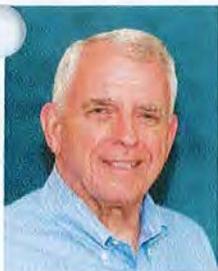
Maureen Toms, Pinole Resident, CBOC Member 2004-2008 and 2014 – 2015

Subcommittees: Pinole Valley High School, Training

Maureen was nominated to the CBOC by the Pinole City Council. She is a land use planner for Contra Costa County in the Department of Conservation and Development, where she has worked for the last 23 years. She also served on the Pinole Planning Commission for 18 years before her appointment to the Pinole City Council in late 2016. She has served on the WCCUSD Redistricting Committee and Site Council for Pinole Middle School and six years as a CBOC member. She is a volunteer swim coach with Special Olympics and an advocate for people with disabilities. Maureen attended Pinole schools before obtaining her B.S degree in Geography-Environmental Studies from

Cal State Hayward. Her three children have all attended schools in WCCUSD.

CBOC Membership



Tom Waller, Business Organization, 2012– 2016

Subcommittees: Reports (Chair), Audit, Change Order (2014-15) and LRFMP Steering Committee, LRFMP Prioritization Committee

Tom is a WCCUSD graduate of Portola Middle and Harry Ells High (was located where DeJean is now). He earned mechanical engineering degrees (B.S. from the US Naval Academy, Annapolis, MD and M.S. from Georgia Institute of Technology (Georgia Tech), Atlanta, GA) and served as a naval officer on nuclear submarines before having a diversified general management business career in large and small companies. His broad functional experience includes manufacturing operations, sales, marketing, international business development, strategic planning, and consulting. Upon

returning to the Bay Area in the early 2000's, Tom volunteered in WCCUSD high school career academies. Interest in further service led to his appointment to the CBOC.



Tim Warner, Richmond Resident, 2012-2015

Subcommittees: Annual Report (Chair), Web Site

Tim is parent to two children enrolled in WCCUSD. He is very active in their elementary school, currently serving as PTA president. He attended public school in the Central Valley, and graduated with two degrees from U.C. Berkeley. He has worked as a computer consultant for the UC Berkeley School of Business, a computer journalist, and an IT professional. He has led a digital media and design business since 1998.



Orlandus Waters, El Cerrito Resident, 2013-2016

CBOC Vice-Chair (2013 – 2015)

Subcommittees: Audit (Chair)

As Executive Vice President, Downey Federal Credit Union, Orlando was the primary contact for the Downey Unified School District's Bond Program 2009-2010. He also served as a Board Member of Cerrito College's Foundation, supporting their Bond Initiative for their Master Plan. As Senior Vice-President of Mergers & Acquisitions, Financial Partners Credit Union, his company provided the College's students, faculty and elected Board Members with comprehensive financial services. Orlando graduated from Sterling College and attended Washburn University School of Law. His first credit union experience was with California Teachers Credit Union, now Provident. He is currently the CFO and Partner at Minty Fresh Digital, LLC. Orlando says that serving on the CBOC has been a thoroughly enjoyable experience.

Other CBOC members, whose biographies were not received:

Marianne Harrison, Parent/Guardian & PTA, 2014-2016

Kelvin Love, Parent or Guardian, 2013-2015

James Oakley, Senior Citizen Organization, 2013-2015

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE**

The CBOC unanimously approved this Resolution at its regular meeting of January 27, 2016.

Resolution

Appreciation Ivette Ricco

Whereas, Ivette Ricco was first appointed to the CBOC on June 2, 2010, and subsequently was reappointed on June 13, 2012 and June 11, 2014 for a total of six years of service when her current terms ends on June 10, 2016;

Whereas, Ivette Ricco is one of the longest serving member in the history of the CBOC;

Whereas, Ivette Ricco was elected CBOC Chair on February 27, 2013 and served as CBOC Chair for three years through January 27, 2016, the longest tenure of any CBOC Chair in the history of the CBOC;

Whereas, Ivette Ricco provided the leadership that transformed the CBOC into an independent oversight committee legally charged to “actively review and report on the expenditure of taxpayer’s money for school construction”;

Whereas, when Ivette Ricco was elected CBOC Chair in February 2013 she recognized many problems including: lack of organization, lack of protocol, lack of District support, lack of resources, lack of information, lack of consistent participation and attendance, lack of communication with District staff, and lack of training.

Whereas, Ivette Ricco, with her organizational and business skills, made significant changes to address the many problems she identified, including: implemented protocols, enforced the absentee policy, improved the CBOC website so that it is one of the best CBOC website in California, regularly appeared at Board meetings to report on CBOC activities and make recommendations to the Board, established good communications with District staff and Board, established a system to monitor and follow up on information requests made to the staff, established various subcommittee to focus of specific areas of the bond program, and established an effective training program for members.

Whereas, Ivette Ricco provided the leadership to take a disorganized oversight committee and transformed it into an effective oversight committee by putting in place structure, procedures and protocols, holding members accountable and working as a team for the benefit of the taxpayers’ and community;

Now, therefore, be it resolved that the CBOC express its appreciation and thanks to Ivette Ricco for her six years of CBOC service and for her three years of leadership as CBOC Chair. Ivette Ricco made a difference.

Certified Correct:

Anton Jungherr, Secretary

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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APPENDIX 14

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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WCCUSD CBOC
Resolution
Appreciation Members

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The CBOC unanimously approved this Resolution at its regular meeting of January 27, 2016.

Resolution
Appreciation CBOC Members
Who Retired During 2015

Whereas, CBOC members are all volunteers who serve without compensation to provide oversight to the school bond construction program for the benefit of the taxpayers' and community;

Whereas, during 2015 nine (9) CBOC members completed their service on the CBOC and retired from the Committee for various reasons including job moves out of the District, completion of their term and resignations;

Whereas, each of these members contributed to progress made by the CBOC during 2015;

Whereas, each of these nine (9) retiring members gave up their personal time and contributed their knowledge, expertise to further advance the mission of the CBOC during 2015;

Whereas, the CBOC desires to honor, appreciate and thank the nine (9) 2015 retiring CBOC members

Now, therefore, be it resolved that the CBOC express its appreciation and thanks to the nine (9) CBOC members who retired from the Committee during 2015:

- Tashia Flucas
- Marianne Harrison
- Kelvin Love
- Norma Martinez-Rubin
- James Oakley
- Stephen Purser
- Maureen Toms
- Tim Warner
- Orlandus Waters

Further, that the CBOC Secretary be directed to prepare and send to each 2015 retiring CBOC member an appropriate certificate that expressed the sentiments of the CBOC.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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APPENDIX 15

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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West Contra Costa Unified School District
Citizens' Bond Oversight Committee Membership by Categories

<http://wccusd-bond-oversight.com/>

As of April 27, 2016

Categories per BP 7214.2 Effective December 9, 2015 ⁱ							
#	Category	Nominated By ⁱⁱ	Member's Name	Office	Date(s) Board Approved	Term Ends	Term #
1	Business Organization * ⁱⁱⁱ	Business Organization	Tom Waller		9.19.12, 8.13.14	8.12.16	2
2	Senior Citizen Organization *	Senior Citizen Organization	Antonio Medrano		3.4.15	3.3.17	1
3	Taxpayers Organization *	Taxpayers Organization	Anton Jungherr ^{iv}	Secretary	2.11.15	2.10.17	1
4	Parent or Guardian *	Parent or Guardian	Jonathan Ames		12.9.15	12.8.17	1
5	Parent or Guardian & PTA *	PTA/School Site Council	Cameron Moore		4.27.16	4.26.18	1
6	El Cerrito Resident	Self-Nomination	Tom Panas ^v	Chair	5.20.15	5.19.17	1
7	Hercules Resident	Self-Nomination	Chris Kelley ^{vi}	Vice Chair	2.11.15	2.10.17	1
8	Pinole Resident	Self-Nomination	Ivette Ricco ^{vii}		6.2.10, 6.13.12, 6.11.14	6.10.16	3
9	Richmond Resident	Self-Nomination	Margaret Browne		9.17.14	9.16.16	1
10	Richmond Resident	Self-Nomination	Peter Chau ^{viii}		4.13.16	4.12.18	2
11	Richmond Resident	Self-Nomination	Don Gosney ^{ix}		4.13.16	5.5.17	1
12	San Pablo Resident	Self-Nomination	Charlene Harlan-Ogbeide		11.12.14	11.11.16	1
13	Unincorporated Area Resident	Self-Nomination	Charles Cowens		4.27.16	4.26.18	1
14	Unincorporated Area Resident	Self-Nomination	Stephen Purser ^x		3.2.16	3.1.18	1
15	Building Trades Council ^{xi}	Building Trades Council	Dennis Hicks		1.20.16	1.19.18	1
16	WCCUSD Employee Unions ^{xii}	Unions	Vacant since 12.9.15				1
17	WCCUSD Student	Self-Nomination	Mark Bordas		3.16.16	3.15.18	1

Superintendent's Liaison: Lisa LeBlanc

Board Liaison: Val Cuevas (effective February 24, 2016)

TRANSITION PLAN: “Upon approval (December 9, 2015) by the Board of Education of the amended membership categories (BP 7214.2) the following transition shall be implemented: “Members serving in categories required by law, upon expiration of their current term, may reapply for membership in their current legally required category or any other category that they qualify for up to the maximum of three two-year consecutive terms. “Members serving in categories not required by law, upon expiration of their current term, may reapply in any category that they qualify up to a maximum of three two-year consecutive terms.”

Summary Categories by Status	
Authorized Categories	Number
Authorized Categories BP 7214.2	17
Filled/Vacant Categories	
Filled Categories	16
Vacant Categories	1
Total Authorized Categories	17
Meeting Quorum Requirement	
Filled Positions	16
Quorum Requirement (1/2 + 1)	9

ⁱ The Proposition 39 WCCUSD CBOC was established by the Board of Education on April 9, 2003. All appointments are made by the Board of Education per BP 7214.2. Terms are for two (2) years with a maximum of three consecutive two (2) year terms.

ⁱⁱ 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. BP 7214.2 provides that no elected official shall be a member of the committee. This column displays the information based on the December 9, 2015 amended Board Policy BP 7214.2.

ⁱⁱⁱ * Legally required category under Proposition 39, California Education Code Section 15282 (a).

^{iv} Board approved on December 9, 2015, change of category from Board Trustee Block nomination to Taxpayers Organization nomination. No change from original term.

^v Board approved on March 2, 2016, change of category from Board Trustee Cuevas nomination to El Cerrito Resident self-nomination. No change from original term.

^{vi} As an elected City of Hercules Council Member Chris Kelley would not be eligible for reappointment to the CBOC per Board Policy BP7214.2.

^{vii} Board approved on March 2, 2016, change of category from Board Trustee Groves nomination to Pinole Resident self-nomination. No change from original term

^{viii} Peter Chau previously served in the Unincorporated Category as Supervisor Gioia nominee.

^{ix} Board approved on April 13, 2016, change of category from Board Trustee Kronenberg nomination to City of Richmond Resident self-nomination. No change from original term.

^x Board approved on March 2, 2016. Was previously in Board Trustee Enos category. Start new two-year term.

^{xi} Contra Costa Building and Construction Trades Council

^{xii} One member, who is not a current WCCUSD employee, representing the four WCCUSD employee unions: United Teachers of Richmond, Public Employees Local 1, School Supervisors Association and West Contra Costa Administrators Association.

APPENDIX 16

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
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Chairpersons

No.	Name	From	To
1	George Harris ¹	February 14, 2001	March 18, 2002
2	Richard King ²	March 19, 2002	December 31, 2003
3	Michael Mahoney ³	January 1, 2004	March 30, 2004
	Michael Mahoney ⁴	March 31, 2004	August 24, 2004
	Michael Mahoney	August 25, 2004	August 22, 2006
4	Antonio Medrano ⁵	August 23, 2006	April 30, 2008
5	Sue Pricco ⁶	May 1, 2008	June 22, 2008
	Sue Pricco	June 23, 2008	June 22, 2010
6	Tim Banuelos	June 23, 2010	October 26, 2010
7	Robert Studdiford	October 27, 2010	September 25, 2012
8	Jason Gallia ⁷	September 26, 2012	January 30, 2013
	none	January 31, 2013	February 26, 2013
9	Ivette Ricco	February 27, 2013	January 27, 2016
10	Tom Panas	January 28, 2016	Current

Note: On March 5, 2002 the voters approved the first WCCUSD Proposition 39 Bond Measures that required a CBOC.

¹ President, WCCUSD Board of Education. The first meeting was held on 2.14.01. The minutes state "... due to the uniqueness of the position he felt it would be best if he assumed the position of chair... ."

² Nominated by Vince Kilmartin, Associate Superintendent, Operations.

³ Interim Chairperson during period Richard King was sick.

⁴ Elected Vice Chairperson and continued as Interim Chairperson during Richard King's sickness.

⁵ On 8.23.06 CBOC Agenda as Chairperson. Could not locate any CBOC action in the minutes.

⁶ Acting Chairperson

⁷ Resigned as a CBOC member.

Secretaries

No.	Name	From	To
	None	February 14, 2001	March 30, 2004,
1	Anton Jungherr	March 31, 2004	December 31, 2005
2	Michael O'Connor [*]	January 1, 2006	May 22, 2006
	None	May 23, 2006	July 25, 2006
3	Sue Pricco	July 26, 2006	November 29, 2006
	None	November 30, 2006	June 26, 2007
4	Andres' Soto	June 27, 2007	August 21, 2007
	Sue Pricco	August 22, 2007	October 21, 2008
5	Adrienne Harris ⁹	October 22, 2008	February 25, 2009
	none	February 26, 2009	September 22, 2009
	Anton Jungherr ¹⁰	September 23, 2009	October 26, 2010
	None	October 27, 2010	December 14, 2010
6	Tim Banuelos	December 15, 2010	September 26, 2012
7	Charlie Cowens	September 27, 2012	December 31, 2014
	none	January 1, 2015	February 28, 2015
8	Peter Chau	March 1, 2015	January 27, 2016
9	Anton Jungherr	January 28, 2016	Current

Prepared by: Anton Jungherr, CBOC Secretary

⁸ Resigned from CBOC under pressure

⁹ Resigned, conflict of interest as District employee (substitute teacher)

¹⁰ Resigned on October 27, 2010 as Secretary in protest of lack of accurate minutes.

APPENDIX 17

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE (CBOC)
COMMITTEE MEETINGS 2015**

The purpose of this appendix is to summarize actions, except routine approval of Committee minutes and agendas, etc., taken by the CBOC at its thirteen 2015 meetings. Agenda packets, meeting minutes and audio records for each meeting are available on the CBOC web site <http://wccusd-bond-oversight.com>.

Date	Place	Start Time Meeting	End Time Meeting	Members Present	Members Absent	Quorum Present
January 28, 2015	FOC ¹	6:04 P.M.	8:25 P.M.	12	3	Yes
Action Taken <ul style="list-style-type: none"> Elected Ivette Ricco as Chairperson Elected Orlandus Waters as Vice Chairperson Elected Peter Chau as Secretary 						

Date	Place	Start Time Meeting	End Time Meeting	Members Present	Members Absent	Quorum Present
February 25, 2015	FOC	6:04 P.M.	8:52 P.M.	16	2	Yes
Action Taken <ul style="list-style-type: none"> none 						

Date	Place	Start Time Meeting	End Time Meeting	Members Present	Members Absent	Quorum Present
March 25, 2015	FOC	6:04 P.M.	8:43 P.M.	17	1	Yes
Action Taken <ul style="list-style-type: none"> Approve revised membership application. Request District to provide update on change orders by site subproject 						

¹ FOC is the Facilities Operations Center, 1400 Marina Way South, Richmond, CA 94804-3747

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE (CBOC)
COMMITTEE MEETINGS 2015**

Date	Place	Start Time Meeting	End Time Meeting	Members Present	Members Absent	Quorum Present
April 29, 2015	F●C	6:05 P.M.	8:30 P.M.	11	5	Yes
Action Taken <ul style="list-style-type: none"> • Approve Annual Report 2014. • Refer matter of changing architects for design errors to Cost Saving Measures Subcommittee for study. • Table review of Performance Audit FY2014 until such time as the California State Controller responses to Mark Bonnett April 14, 2015 letter. 						

Date	Place	Start Time Meeting	End Time Meeting	Members Present	Members Absent	Quorum Present
May 27, 2015	F●C	6:00 P.M.	8:30 P.M.	12	6	Yes
Action Taken <ul style="list-style-type: none"> • Establish a Data Review Subcommittee with focus to compliment the work of the forensic auditor. • Approve Resolution 15-1 Dennis Clay Allegations. 						

Date	Place	Start Time Meeting	End Time Meeting	Members Present	Members Absent	Quorum Present
June 17, 2015 (Joint with Board)	F●C	6:02 P.M.	7:27 P.M.	15	3	Yes
Action Taken <ul style="list-style-type: none"> • none 						

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE (CBOC)
COMMITTEE MEETINGS 2015**

Date	Place	Start Time Meeting	End Time Meeting	Members Present	Members Absent	Quorum Present
July 15, 2015	FOC	6:03 P.M.	8:08 P.M.	11	7	Yes
Action Taken <ul style="list-style-type: none"> • Post Dennis Clay two documents to the CBOC web site. • Receive and review Performance Audit FY2014. • Refer Contra Costa Civil Grand Jury Report to the Data Review Subcommittee for review and report back to the CBOC. • Defeated a motion to refer the Owner Controlled Insurance Program to the Cost Savings Subcommittee for review. • Request the District to provide additional resources to support the CBOC. 						

Date	Place	Start Time Meeting	End Time Meeting	Members Present	Members Absent	Quorum Present
August 26, 2015	FOC	6:00 P.M.	9:03 P.M.	13	2	Yes
Action Taken <ul style="list-style-type: none"> • Responded to Contra Costa Civil Grand Jury Report Findings and Recommendations. • Receive and review Financial Audit FY2014 • Support recommendation to California Audit Appeals Board in regards to the scope of the performance audit. • Request for legal opinion on Christy White Associates combining the FY2015 Bond Financial Audit with the District's audit in one report. 						

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE (CBOC)
COMMITTEE MEETINGS 2015**

Date	Place	Start Time Meeting	End Time Meeting	Members Present	Members Absent	Quorum Present
September 23, 2015	FOC	6:05 P.M.	8:45 P.M.	12	2	Yes
Action Taken <ul style="list-style-type: none"> • Approve CBOC 2016 meeting calendar. • Dissolve Data Review Subcommittee. • Merge the Change Order Subcommittee with the Cost Savings Measurers Subcommittee. • Legal opinions requested by the CBOC. • Agreed to take no action on requesting legal counsel to provide an opinion on the end date of the SGI agreement. • Agreed not to take action to request a legal opinion on access to the construction data base (Primavera). • Approve eighteen performance audit objectives for FY2015. 						

Date	Place	Start Time Meeting	End Time Meeting	Members Present	Members Absent	Quorum Present
September 30, 2015 (Joint with Board)	FOC	6:00 P.M.	8:40 P.M.	9 ²	5	Yes
Action Taken <ul style="list-style-type: none"> • none 						

² The CBOC prepared minutes show 10 Members attending including "Moore." Moore is not a member of the CBOC.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE (CBOC)
COMMITTEE MEETINGS 2015**

Date	Place	Start Time Meeting	End Time Meeting	Members Present	Members Absent	Quorum Present
October 28, 2015	FOC	6:00 P.M.	8:47 P.M.	12	1	Yes
Action Taken <ul style="list-style-type: none"> • Recommendations on the size, composition and selection process for CBOC. • Receive and review Agreed Upon Procedures Report, FY2014. • CBOC be responsible for their own minutes of joint meetings with the Board of Education. • CBOC prepares its own minutes for the June 17, 2015 joint meeting with the Board of Education. • Approve provisions for Christy White Associates agreement with the District to perform the bond financial audit FY2015. 						

Date	Place	Start Time Meeting	End Time Meeting	Members Present	Members Absent	Quorum Present
November 16, 2015 (Special Meeting)	FOC	4:04 P.M.	5:51 P.M.	9	4	Yes
Action Taken <ul style="list-style-type: none"> • Consider the role of Piper Jaffray & Company as the WCCUSD Bond Underwriter for any negotiated bond sales after the March 2016 bond sale. 						

Date	Place	Start Time Meeting	End Time Meeting	Members Present	Members Absent	Quorum Present
December 16, 2015	FOC	6:05 P.M.	9:41 P.M.	13	1	Yes
Action Taken <ul style="list-style-type: none"> • Review the Primavera budget data with the District. • Motion to respond to District's criticism of the Audit Subcommittee's role in reviewing FY2014 Agreed Upon Procedures Report. • Adopt resolution objecting to the amendments agreed to by the Board of Education on December 9, 2015 in regards to performance audit FY2015. 						

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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APPENDIX 18

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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CBOC Annual Report 2015 – Subcommittees

Subcommittees

Various Subcommittees have been established to further the oversight role of the CBOC. During January 2015 to April 2016 twelve Subcommittee performed this role, of which nine were active as of April 2016:

- Annual Report
- Audit
- By-Laws
- Change Orders (merged with Cost Savings Measures in August 2015)
- Cost Savings Measures (merged with Audit in October 2015)
- Data Review (Dennis Clay Documents) (Formed May 2015 and dissolved in September 2015)
- Executive
- Reports
- Pinole Valley High School
- Site Tours
- Training
- Website

Each Subcommittee's type (ad hoc or standing¹), purpose, members², officers and activities are reported below:

Subcommittee Name: Annual Report

Type: Ad hoc

Purpose: Prepare the annual calendar report for approval by the CBOC including the Statement of Compliance and report on the expenditure of taxpayer's money for school construction.

Members: Charles Cowens, Anton Jungherr (Chair), Chris Kelley, Tim Warner (Chair)

Activities: Prepared the Annual Report 2014 and Annual Report 2015.

Subcommittee Name: Audit

Type: Standing

Purpose: Receive and review annual bond performance audit and bond financial audit. Monitor the implementations of recommendations made by the auditor. Receive and review agreed upon procedures engagement reports. Monitor the forensic audit and the implementation of its recommendations. Review the District's plans for bond sales, review cost savings measures, construction costs, change orders and preventative facilities maintenance.

¹ A Standing Subcommittee has a "continuing subject matter jurisdiction" and is subject to the Brown Act open meeting requirements.

² Members who served on a Subcommittee anytime during the period January 2015 through April 2016 are listed as members of that Subcommittee.

CBOC Annual Report 2015 – Subcommittees

Members: Tashia Flucas, Anton Jungherr (Secretary), Norma Martinez-Rubin, Antonio Medrano, Tom Panas (Chair), Tom Waller (Vice Chair), Orlandus Waters (Chair)

Activities: The Audit Subcommittee is a Brown Act Committee and as such notices its meetings and publishes its agenda three days in advance of its regular meetings. The primary charge of the Audit Subcommittee relates to the Bond Financial Audit, the Bond Performance Audit, and the Bond Agreed Upon Procedures. During the first half of 2015 meetings were scheduled on an ad-hoc basis but in July it was agreed that the meetings would be held on the second Thursday of the month. Members of the subcommittee during 2015 were Tashia Flucas, Anton Jungherr, Norma Martinez-Rubin, Antonio Medrano, Tom Panas, Tom Waller, and Orlandus Waters. The Audit Subcommittee was chaired by Orlandus Waters until he went on medical leave in July. Vice-chair Tom Panas chaired the meetings until Mr. Waters returned in December. The Audit Subcommittee held ten meetings during the year.

The Subcommittee recommended that the draft 2014 Performance Audit go to the Board prior to the March 31st statutory deadline and also accepted the 2014 Bond Financial Audit. The Audit Subcommittee endorsed the plan for the Christy White Bond Financial audit for the year ended 6/30/15

The Audit Subcommittee received the draft Agreed Upon Procedures report for 2014 almost a month after it was received by the District. This was contra to the Board Policy which requires draft audit reports to be distributed to the Audit Subcommittee at the same time as received by the District. The Audit Subcommittee commented on a number of issues with the Agreed Upon Procedures report including mislabeling of cash balances, un-annotated cash transfers, bond premium not properly classified as dedicated to debt service, missing documentation and other issues. Once these items were resolved the Audit Subcommittee recommended approval of the Agreed Upon Procedures report to the full CBOC.

The Audit Subcommittee was criticized by the district for unnecessarily delaying the Agreed Upon Procedures report. The Subcommittee felt that the criticism was unwarranted and that the large number of discrepancies the Subcommittee found with the report indicated that a careful review had been necessary.

The Audit Subcommittee recommended to the CBOC that the 2015 Performance Audit be a performance audit for compliance and program effectiveness and results and further, the Audit Subcommittee recommended 18 specific audit objectives. It was subsequently learned that the 2015 Performance Audit would be a performance audit for compliance only, without any program effectiveness and results auditing; the 18 objectives would be used as the basis for an Agreed Upon Procedures engagement regarding compliance and program effectiveness and results. The Audit Subcommittee made a clear statement that it believed the auditor should render an opinion, not just report findings. The subcommittee also sent a strong recommendation to the CBOC that a compliance-only audit was not in the best interest of the district or the taxpayers.

CBOC Annual Report 2015 – Subcommittees

A Reports working group of the Audit Subcommittee was created to formalize and monitor the process of developing the monthly financial reports to be provided by the District to the CBOC.

Also, the Audit Subcommittee supported CaLBOC's recommendation to the California Education Audit Appeals Panel to add "program effectiveness and results" to the California Audit Guide for 2015-16.

Tom Panas

Subcommittee Name: By-laws

Type: Ad hoc

Purpose: Draft and recommend By-laws amendments to the CBOC for approval.

Members: Peter Chau (Chair), Don Gosney, Anton Jungherr, Chris Kelley

Subcommittee Name: Change Orders

Type: Ad hoc

Purpose: To understand the change order process, design and review reports that will assist the CBOC to understand and analyze "hard costs" on construction projects and make recommendations on how to reduce cost of change orders.

Members: Dennis Hicks, Anton Jungherr, Kelvin Love (Chair), Norma Martinez-Rubin, Maureen Toms, Tom Waller (chair)

Activities: Change orders are another item the CBOC pays close attention to. While it's generally recognized that construction contracts involve changes along the way based on various reasons (errors and omissions, desired alterations, unforeseen circumstances, etc.), the obvious goal is to minimize additional project charges. The CBOC has developed a one-page change order summary sheet for each active project under construction that provides up-to-date details about change order quantities, dollar amounts, and reasons. There is still work to be done in evaluating the District's change order performance over time.

Tom Waller

CBOC Annual Report 2015 – Subcommittees

Subcommittee Name: Cost Savings Measures

Type: Ad hoc

Purpose: Understanding and reviewing “soft costs.” Reviewing efforts by the school district to maximize bond revenues by implementing cost-saving measures, including, but not limited to, all of the following: (A) mechanisms designed to reduce costs of professional fees; (B) mechanisms designed to reduce costs of site preparation; (C) recommendations regarding the joint use of core facilities; (D) mechanisms designed to reduce costs by incorporating efficiencies in school site design; (E) recommendations regarding the use of cost-effective and efficient reusable facility plans. Also to monitor progress on master facilities plan development and to provide feedback on the format and substance of the plan.

Members: Tashia Flucas (Chair), Charlene Harlan-Ogbeide, Anton Jungherr, Kelvin Love, Antonio Medrano, Tom Waller (Vice Chair)

Activities:

- Reviewed various SGI reports including *Weekly Project Status Report*.
- Review Owner Controlled Insurance Program for application to PVHS project.
- Reviewed change orders in excess of 5% of the original contract.
- Reviewed bond sales and best practices.
- Discussed access to Primavera project management database.
- Discussed SGI agreement termination date.
- Discussed PVHS cost estimates, design capacity and enrollment projections.
- Discussed Long Range Facilities Master Plan Status Report
- Discussed contractor’s overhead and profit on error code 3 change orders being charged back to the architect

Anton Jungherr

Subcommittee Name: Data Review (Dennis Clay Documents)

Type: Standing

Purpose: To review the Dennis Clay documents send to the CBOC on April 23, 2015

Members: Peter Chau, Anton Jungherr, Kelvin Love, Tom Panas, Ivette Ricco (Chair), Maureen Toms, Orlandus Waters

Activities: In April 2015 WCCUSD employee, Dennis Clay, published documents alleging mismanagement of the WCCUSD \$1.8 billion School Bond Program. The publication of these documents prompted a public outcry for a full investigation of the WCCUSD Bond Program.

The School Board established a Special Ad-Hoc Subcommittee to take part in co an investigation. The Ad-Hoc Subcommittee is comprised of Trustees, Liz Block, Valerie Cuevas

CBOC Annual Report 2015 – Subcommittees

and CBOC Chair, Ivette Ricco.

In July 2015 the Clay Investigation Sub-Committee began the process of vetting independent counsel for this investigation and also to vet firms to conduct a forensic audit.

Mr. James Kawahara was selected as Independent Counsel for the Clay Sub-Committee. The next step was to vet firms to conduct an extensive audit of the Bond Program.

The forensic audit firm selected was Vicenti Lloyd Stutzman, LLP (VLS). VLS set out to evaluate the potential risks to the WCCUSD based on the Clay allegations through a Risk Assessment. A Risk Assessment was necessary in order to identify possible incidents of, waste, fraud and abuse within the WCCUSD \$1.8 billion School Bond Program and to rank them by degree of potential risk, High, Medium or Low.

In January 2016 VLS provided a report listing areas within the program that had the potential for waste, fraud and abuse. These risk areas were categorized according to risk levels, High, Medium and Low.

Using the results of the Risk Assessment Report the subcommittee had to decide if all the risk areas should be fully investigated or if only the high and medium risk areas required further investigation. They had to decide what was in the best interest of the School District, the Bond Program and ultimately the community.

The subcommittee accepted the recommendation by VLS for a full investigation that encompassed the High and Medium risk areas.

The committee's recommendation was submitted to the School Board. The School Board approved the full forensic investigation. This forensic audit is currently ongoing. The results of the investigation are expected in the fall of 2016.

Ivette Ricco

Subcommittee Name: Executive

Type: Ad hoc

Purpose: Prepare meeting agendas and minutes and provide leadership to achieve the CBOC's purpose.

Members: Anton Jungherr (Secretary), Chris Kelley (Vice Chairperson), Tom Panas (Chairperson)

Activities: This group is provided for in the By-laws and was reactivated in January 2016 with the election of the new officers. Activities include:

- Formation of CBOC 2016 Objectives.
- Redesign the agenda packet and preparation of the process for preparing minutes.
- Preparation and approval by CBOC of Norms of Behavior.

CBOC Annual Report 2015 – Subcommittees

- Prepare Annual Report 2015.

Anton Jungherr

Subcommittee Name: Reports

Type: Ad hoc

Purpose: Work with the District staff to mutually agree on the reports and their formats to be reviewed monthly by the CBOC.

Members: Anton Jungherr, Chris Kelley, Tom Panas, Tom Waller (Chair)

Activities: In fulfilling its purpose of informing the public about bond program spending, the CBOC exerts considerable effort in working with District Staff to develop a minimal number of meaningful reports which display numbers that can help everyone better understand bond program details without getting into data overload. The goal is to sharpen the focus on important individual program components while at the same time allowing a clearer sense of the whole. At the core of it all are two basic report designs, one that concentrates on program revenues by voter approved bond measure and the other on program spending by school site. The basic approach involves identifying what can be called key performance indicators (KPIs) like bonds issued and monthly cash on hand as well as actual and planned spending by cost-code category and school site.

Tom Waller

Subcommittee Name: Pinole Valley High School

Type: Ad hoc

Purpose: Monitor the construction of Pinole Valley High School.

Members: Peter Chau, Marianne Harrison, Dennis Hicks, Stephen Purser (Chair), Ivette Ricco (Chair), Maureen Toms (Chair)

Activities: Pinole Valley High School was opened in 1967. It is part of the former Richmond Unified School District, now the West Contra Costa Unified School District (WCCUSD), which serves six communities, Richmond, El Cerrito, San Pablo, Pinole, Hercules, Kensington and several unincorporated areas. As the Chair of the Citizens Bond Oversight Committee I created this committee in 2014 to follow this signature” Bond Program Project”, from start to finish.

Pinole Valley High School is the last remaining “signature” project left on the WCCUSD drawing board. In 2014 Pinole Valley High School was demolished to make way for a new, modern Pinole Valley High School. A temporary campus, utilizing portables, was constructed

CBOC Annual Report 2015 – Subcommittees

on the school's baseball field. On April 13, 2016 the WCCUSD Board approved a revised budget in the amount of approximately \$215M. The previous approved budgets were: 2010, \$120M; 2015, \$181,900M

The construction contract was awarded to Lathrop Construction on April 15, 2016. At the time of this writing, April 21, 2016, several DSA (California Department of State Architect) addenda are pending approval.

Once they are approved, the next step will be to issue the Notice to Proceed. Construction is slated to begin between May 2016 and July 2016. The construction of PVHS will be a 30-month project.

The PVHS Subcommittee will follow the construction of this project and meet with WCCUSD staff as milestones are reached. The Subcommittee will also plan tours of the site, as appropriate.

Ivette Ricco

Subcommittee Name: Site Tours

Type: Ad hoc

Purpose: Inspect school sites to ensure quality of construction, cost savings measures and change orders.

Members: Jon Ames, Tashia Flucas (Chair), Dennis Hicks (Chair), Stephen Purser, Orlandus Waters

Activities: Several site tours were conducted.

Subcommittee Name: Training

Type: Ad hoc

Purpose: Orient new members, prepare training materials and provide ongoing training for all CBOC Members.

Members: Anton Jungherr (Chair), Maureen Toms (Chair)

Activities:

- Production of Proposition 39 Performance Audit Training video and posting to CBOC website
- Posting of various documents on the CBOC website.

Anton Jungherr

CBOC Annual Report 2015 – Subcommittees

Subcommittee Name: Website

Type: Ad hoc

Purpose: Design, monitor design implementation by District staff, and maintain current the website contents to provide CBOC Members and the public reports on relevant bond program expenditures of taxpayer's money for school construction.

Members: Charles Cowens, Anton Jungherr, Ivette Ricco (Chair), Tim Warner

Activities: One of the most important tools for the CBOC should be its website. The CBOC is charged with reporting back to the public on the use of Bond Funds we are tasked with reviewing. Yet, the CBOC website had been totally inadequate in terms of usability, or information. The lack of a relevant and usable website was pointed out in Performance Audits over the course of several years, yet, no effort was made to update, upgrade or maintain this important method of communication with the public.

The Grand Jury Report of 2015 was highly critical of the School District's lack of attention to this important public asset and was critical of the District's lack of cooperation and effort in the CBOC's effort to make changes its website.

This issue became one of the most important issues I tackled as a CBOC member.

Starting in 2013-2014 there was an effort put forth by the CBOC to change the situation and request that the District allow the CBOC input and access. In 2015 significant improvements took place with the cooperation and collaboration of District staff.

The CBOC website is now a user-friendly portal of information.

Ivette Ricco

APPENDIX 19

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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Dennis Clay

April 18, 2015

Project Analyst

West Contra Costa Unified School District

1400 Marina Way South

Richmond, CA 94804

510-307-4588

Executive Summary

I first started assembling the documents included here (CD or Binder) in January 2015 to give the performance auditors Vavrinek, Trine, Day & Company LLP (VTD), but it wasn't so much for them, as for the Board of Trustees of the West Contra Costa Unified School District (WCCUSD), and the Citizen's Bond Oversight Committee (CBOC) associated with its bond program.

I had hoped that VTD would use the documents given them in more than a cursory way. Like the auditors before them, Total School Solutions, they did not show much understanding, nor interest in the operational issues and complications involved in running a billion dollar bond program, which is not large as such things go, but is large enough.

The Seville Group Inc. (SGI) is the longstanding program management company for the District's bond program. Since the conviction, but not sentencing, of SGI's owner, Rene Flores Sr., for corruption, many have thought that similar corruption was happening in this District. Once the District renewed SGI's contract, or more correctly made a new contract after a period of some years working without one, even with the conviction of SGI's owner, it confirmed many people's long standing opinion that something was going wrong with in the bond program.

The question that I have had is not whether the program is run well, or appropriately, or even adequately, it is not, but rather how much of the problems are due to the inevitable problems that arise whenever politics and money intersect, how much is due to incompetence, how much is due to corruption, and how much is due to staff's desire to hide problems that occur under their watch. I would say that all are true here in this the West Contra Costa Unified School District.

Vavrinek, Trine, Day & Company LLP

Most of the documents included here are rather dry, many are public documents directly downloaded from the District's website, and there are no "gotcha's", unless you consider the District's unwillingness or inability to hire a competent performance auditor.

Change Orders

District management has identified several key issues that they are currently attempting to correct. One of these is our ability to predict cash flows. The problem is that there are numerous proposed change orders (PCO) that have been identified by SGI, but not processed into the District's contract management software, Primavera.

One of the larger projects with this issue was recently toured by the CBOC, during which the construction manager (CM) claimed the construction contract change orders would come in under 5% of the initial bid. The Contra Costa Times had a reporter attending the tour, and the claim ended up on video at the end of one of their articles. No it won't. And we now have a second assistant to the CM in order to clear the backlog of unprocessed PCO's.

In the 2015 updates section the first section is on change orders. VTD did a very nice job of putting into a schedule (except for missing the vendor name and contract number) the change orders that went to the Board for approval. Unfortunately our problem is the potential change orders that didn't go to the Board.

In spring of 2014 the District's Primavera Server went down for ten days. The expected change orders from this incident were estimated to be on the order of several hundred thousand dollars. These change orders won't come in until the end of vendor's contracts, so are currently uncosted. VTD never talked to the District head scheduler about issues like this they will end up costing the District money.

Timely Payments.

VTD has a statement at the end of the section on payments (page 48) that "In addition, the payments to the vendors and contractors appear timely".

In 2014 the District had two high profile vendor disputes affecting the bond program. The first was with CDW Government Inc., who threatened to cut the District off for non-payment, which would be a problem because it is the principle implementer for the District's WIFI in the schools program. The second vendor issue is the District's need to change cell phone provider from AT&T. Without knowledge of the specific issues I can say that: it's not generally considered AT&T's fault, it inconvenienced employees who had to learn a new operating system, and AT&T hasn't treated the District the same on our construction projects since then.

In the Check Register section of 2015 Updates, the file Average Days to pay by Vendor.pdf shows that the average invoice payment period is almost 58 days. It was pointed out that there are reasons, including back dating of invoices, that the actual payment time might not be as long shown. It is also true that there are some vendors, such as employees, that bring the average down. SGI, with 11.5% of total invoices, has an average payment period of 24.4 days, even after District delaying paying some invoices for various reasons.

The District's bond program has not been a timely pay for many vendors, even without considering sub-contractors.

Munis Project Ledger

The District's financial system, Munis, has a project ledger that has been badly set up, and has reporting and consistency issues. VDT acknowledged the issue, but ascribed it to Primavera.

- “It was reported that there were approximately 20 master projects reported in the Munis system were not included in the Primavera system, the discrepancy is approximately \$6.5 million.”

The amount is wrong, because the project ledger was off \$7.7 million, and the reason is wrong because it had nothing to do with the setup of projects in Primavera, because the reporting system reported those costs, whether the projects were set up or not.

VDT also failed to report that the \$6.5 million portion of the 2014 project ledger error had doubled to over \$13 million at the time they were at the client site. Neither did they discover whether any corrective actions were being taken (they were not).

Compliance with District Policies and Guidelines

One of the problems District staff has, and one of the reasons for the implementation of the Primavera project management software is that much of the project information has been kept proprietary or private to SGI. There have been two incidents where SGI’s server has gone down and contract information was lost, the second during the time period it was under investigation. The project management software SGI used, though owned by the District, was modified and run by SGI, and was not available to District personnel.

Because of this the District Primavera, a leading project management software sold and supported by Oracle. SGI has been slow to adopt the program, and slower to enforce the use thereof.

During fiscal 2014 the District put together a manual with guidelines and regulations to be followed by the SGI’s construction managers. On rollout of the manual the District had two days of training for the construction managers. At the end of each day the construction managers were tested on the contents of the manual.

The manual states that the CMs are required to do a daily report and log it in Primavera. It also states that all contractor request for information (RFI) that will have a cost effect on the project need to be turned into a potential change order (PCO) with an estimated cost if none is known. Many of SGI’s contract mangers have not been doing either. SGI’s CM supervisor has been heard telling CM’s that they did not need to do either in Primavera (he has since been fired).

One of the problems the Project Mangers (PM), District employees overseeing the work of the CM’s and the projects, is that when they go to verify vendor invoices the appropriate information is unavailable in Primavera.

Project Budgets

The District has multiple projects that have either no budget, or are under budgeted. Historically the District increased budgets to match actual costs. So when a CBOC member says that we must be doing a good job because the projects finish under budget, he doesn’t realize that under the District’s system projects would always finish under budget.

After calendar 2011 the Board decided to not fully budget ongoing projects, and to not show the entire program budgets for authorization. Since then the budgets, which were already misaligned because the problems with the CAMP report, slowly drifted even more out of alignment.

VDT never seemed to understand that the Board authorizing an annual budget (renewed twice during the year), did not mean that the Board Approved Project Budgets weren't relevant. They did do some system checking to verify that the project budgets set up in Munis did control spending. That they had no relationship to Board approvals did not seem to matter to them since they documented that managers had to sign off on budget modification.

Currently, there is no system, or process, or individual, responsible or capable of controlling project spending within the limits the Board has approved. The Board does approve all contracts, frequently after the fact as a consent item, and is never told when there is insufficient project budget for a contract.

Financial Reporting

The issue of financial reporting on the bond program for the bond program is a major issue. Since 2003 I know of only two reports given to the public that I would consider accurate, and both are for a calendar year, not fiscal. The current KPI's accurately reflect the Munis project ledger, and so is only off by \$60 million.

This issue is directly addressed in CAMP Reconciliation, the two Project Ledger Reconciliation sections, and KPI. In CAMP Reconciliation under the documents given to VTD section is "Performance "Audit analysis – 02. This is a document given to Total School Solutions (TSS) showing how the numbers reported by them for the bond program were in error in the tens of millions of dollars. This was done using only documents available from the CBOC website and available to the public. TSS stopped reporting financial information that year. This analysis could have been done by anyone, public or District staff, at any time with similar results.

Munis

Munis has been setup badly for the purposes of tracking and reporting District project costs, future commitments, and encumbrances. It does not have the ability to control costs to budgets, or payments to contract amounts. It is also difficult for users to tell what a project is, and what projects are set up.

For further details see Encumbrances, Project Numbers, Zovich Contract, in the 2015 Updates section "Msr M – Munis Projects".

Opinion of Legality

VDT in the draft audit report uses phrases such as "the District appears to be in compliance with the laws and regulations", or "the District appears to be in compliance with the requirements of Proposition 39" It's nice to know that VDT thinks that we are not criminals. Unfortunately we are.

The District has a pattern of decision making outside of public meetings, which may be a technical violation, or may be more serious. In “Bond Program Manger”, “Feb 11 Facilities Sub-Committee”, and “WLC PVHS CO” I provide evidence of separate and independent decision making beyond what is visible to the public.

Mr. Ramsey is known for telling people, “I am the Board”. He is also known for calling staff and consultants multiple times a day. In the 2013 Performance audit, the auditors noted multiple instances of contracts either not being approved by the Board, or bids being canceled without Board approval. I am glad to say that I looked for contracts going forward without Board approval, and didn’t find any. But the reality is that SGI, the District, and vendors treated approval votes in the Facilities Sub-Committee as sufficient.

There is also the matter of recklessness with public funds. As long as I have been involved or aware of the planning process the program has operated on the basis that there was always another bond authorization to finish current projects. It got so bad that by the time 2012-E was approved, the entire amount of the expected bond funds was already needed for the existing 2010-D projects, with some left over for technology projects and administrative costs. This issue of fiscal recklessness is looked at in Bonds, Valley View, and in the 2015 Updates section Master Planning Projects. On matters of public deceptiveness see “Lance Jackson” in the 2015 Updates.

What now.

Staff has always known something was wrong. Frequently they knew what was wrong. Few wanted to know sufficiently to either be a witness, or have an obligation to report.

I told VDT in February 2015 that I had given them evidence of illegal conduct. I said the Sheri Gamba is guilty of negligence, and that Dr. Harter was guilty of facilitation. I could have said, but did not, that there was evidence of criminal conduct by Charles Ramsey.

I don’t know what the District does about the problems in the bond program going forward. I don’t know to what extent or for how long it will continue. I do know that, given the parameters it is currently operating in, it will end within a few years. At the end, no matter how fine, or how nice, some schools are, it will probably still have a high school that looks like a minimum security prison, and elementary schools with leaky roofs that you wouldn’t want your child to go to.

It didn’t have to be this way.

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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APPENDIX 20

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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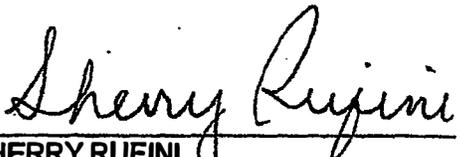
**A REPORT BY
THE 2014-2015 CONTRA COSTA COUNTY GRAND JURY
725 Court Street
Martinez, California 94553**

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
GRAND JURY FOREPERSON

ACCEPTED FOR FILING:

Date: June 11, 2015


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

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.



DeAnza High School

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. Totalling \$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.

APPENDIX 21

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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November 24, 2014

To: United States Securities and Exchange Commission
Division of Enforcement
Submitted electronically: MCDCsubmissions@sec.gov

Re: Municipalities Continuing Disclosure Cooperation Initiative Questionnaire for Self-Reporting Entities

1. Name of Self-Reporting Entity, and Contact Information:

Individual Contact Name: Sheri Gamba
Individual Contact Title: Associate Superintendent, Business Services
Individual Contact Telephone: (510) 231-1170
Individual Contact FAX: (510) 236-6784
Individual Contact e-mail: sgamba@wccusd.net

Full Legal Name of Self-Reporting Entity: West Contra Costa Unified School District
Mailing Address: West Contra Costa Unified School District
1108 Bissel Avenue
Richmond, CA 94801-3135

2. Identification of municipal offerings with Official Statements that may contain an inaccurate certification on compliance regarding prior continuing disclosure obligations:

Election 2005 Bonds, Series D:

Full Name of Issuing Entity: West Contra Costa Unified School District (the "District")
Full Name of Security Issue: West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2005, Series D-1 (Qualified School Construction Bonds - Direct Payment to District) (Federally Taxable) and General Obligation Bonds, Election of 2005, Series D-2 (Tax-Exempt) (together, the "2005 Bonds Series D")
Initial Principal Amount of Bond Issuance: \$27,499,949.20
Date of Offering/Closing Date: June 24, 2010
Date of Final Official Statement/Sale Date: June 10, 2010
CUSIP Number of Last Maturity: 952347 WS7

2011 Refunding Bonds:

Full Name of Issuing Entity: West Contra Costa Unified School District
Full Name of Security Issue: West Contra Costa Unified School District (Contra Costa County, California) 2011 General Obligation Refunding Bonds (the "2011 Refunding Bonds")
Initial Principal Amount of Bond Issuance: \$85,565,000
Date of Offering/Closing Date: August 25, 2011
Date of Final Official Statement/Sale Date: August 10, 2011
CUSIP Number of Last Maturity: 952347 XJ6

Election 2010 Bonds, Series A:

Full Name of Issuing Entity: West Contra Costa Unified School District
Full Name of Security Issue: West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2010, Series A (Tax-Exempt) and General Obligation Bonds, Election of 2010, Series A-1 (Qualified School Construction Bonds – Direct Payment) (Federally Taxable) (together, the “2010 Bonds Series A”)
Initial Principal Amount of Bond Issuance: \$100,000,000
Date of Offering/Closing Date: November 22, 2011
Date of Final Official Statement/Sale Date: November 8, 2011
CUSIP Number of Last Maturity: 952347 YF3

2012 Refunding Bonds:

Full Name of Issuing Entity: West Contra Costa Unified School District
Full Name of Security Issue: West Contra Costa Unified School District (Contra Costa County, California) 2012 General Obligation Refunding Bonds (the “2012 Refunding Bonds”)
Initial Principal Amount of Bond Issuance: \$98,200,000
Date of Offering/Closing Date: July 10, 2012
Date of Final Official Statement/Sale Date: June 19, 2012
CUSIP Number of Last Maturity: 952347 ZH8

Election 2012 Bonds, Series A:

Full Name of Issuing Entity: West Contra Costa Unified School District
Full Name of Security Issue: West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2012, Series A (the “2012 Bonds Series A”)
Initial Principal Amount of Bond Issuance: \$85,000,000
Date of Offering/Closing Date: October 31, 2013
Date of Final Official Statement/Sale Date: October 10, 2013
CUSIP Number of Last Maturity: 952347 A44

Election 2010 Bonds, Series B:

Full Name of Issuing Entity: West Contra Costa Unified School District
Full Name of Security Issue: West Contra Costa Unified School District (Contra Costa County, California) General Obligation Bonds, Election of 2010, Series B (the “2010 Bonds Series B”)
Initial Principal Amount of Bond Issuance: \$40,000,000
Date of Offering/Closing Date: October 31, 2013
Date of Final Official Statement/Sale Date: October 10, 2013
CUSIP Number of Last Maturity: 952347 C26

3. Role of the Self-Reporting Entity in connection with the municipal bond offerings identified in Item 2 above:

Issuer
 Obligor
 Underwriter

4. Identify the lead underwriter, municipal advisor, bond counsel, underwriter’s counsel and disclosure counsel, if any, and the primary contact person at each entity, for each offering identified in Item 2 above:

2005 Bonds Series D:

Senior Managing Underwriting Firm:
Primary Individual Contact at Underwriter:

Piper Jaffray & Co.
Jeff Baratta

Financial Advisor:

**KNN Public Finance, a Division of
Zions First National Bank
Dave Olson (who is at a new firm;
the District's current contact is
David Leifer)**

Primary Individual Contact at Financial Advisor:

Bond Counsel Firm:

**Stradling Yocca Carlson & Rauth, a
Professional Corporation
David Casnocha**

Primary Individual Contact at Bond Counsel:

Law Firm Serving as Underwriter's Counsel:
Primary Individual Contact at Underwriter's Counsel:

**Nossaman LLP
Jeff Stava**

Disclosure Counsel Firm:
Primary Individual Contact at Disclosure Counsel:

**GCR, LLP
Krishna Pettit**

2011 Refunding Bonds:

Senior Managing Underwriting Firm:
Primary Individual Contact at Underwriter:

Piper Jaffray & Co.
Jeff Baratta

Financial Advisor:

**KNN Public Finance, a Division of
Zions First National Bank
Dave Olson (who is at a new firm;
the District's current contact is
David Leifer)**

Primary Individual Contact at Financial Advisor:

Bond Counsel Firm:

**Stradling Yocca Carlson & Rauth, a
Professional Corporation
David Casnocha**

Primary Individual Contact at Bond Counsel:

Law Firm Serving as Underwriter's Counsel:
Primary Individual Contact at Underwriter's Counsel:

**Nossaman LLP
Jeff Stava**

Disclosure Counsel Firm:
Primary Individual Contact at Disclosure Counsel:

**GCR, LLP
Krishna Pettit**

2010 Bonds Series A:

Senior Managing Underwriting Firm:
Primary Individual Contact at Underwriter:

Piper Jaffray & Co.
Jeff Baratta

Financial Advisor:

**KNN Public Finance, a Division of
Zions First National Bank
Dave Olson (who is at a new firm;
the District's current contact is
David Leifer)**

Primary Individual Contact at Financial Advisor:

Bond Counsel Firm:	Stradling Yocca Carlson & Rauth, a Professional Corporation
Primary Individual Contact at Bond Counsel:	David Casnocha
Law Firm Serving as Underwriter's Counsel:	Nossaman LLP
Primary Individual Contact at Underwriter's Counsel:	Jeff Stava
Disclosure Counsel Firm:	GCR, LLP
Primary Individual Contact at Disclosure Counsel:	Krishna Pettit

2012 Refunding Bonds:

Senior Managing Underwriting Firm:	Piper Jaffray & Co.
Primary Individual Contact at Underwriter:	Jeff Baratta

Financial Advisor:	KNN Public Finance, a Division of Zions First National Bank
Primary Individual Contact at Financial Advisor:	Dave Olson (who is at a new firm; the District's current contact is David Leifer)

Bond Counsel Firm:	Stradling Yocca Carlson & Rauth, a Professional Corporation
Primary Individual Contact at Bond Counsel:	David Casnocha

Law Firm Serving as Underwriter's Counsel:	Nossaman LLP
Primary Individual Contact at Underwriter's Counsel:	Jeff Stava

Disclosure Counsel Firm:	GCR, LLP
Primary Individual Contact at Disclosure Counsel:	Krishna Pettit

2012 Bonds Series A:

Senior Managing Underwriting Firm:	Piper Jaffray & Co.
Primary Individual Contact at Underwriter:	Jeff Baratta

Financial Advisor:	KNN Public Finance, a Division of Zions First National Bank
Primary Individual Contact at Financial Advisor:	Dave Olson (who is at a new firm; the District's current contact is David Leifer)

Bond Counsel Firm:	Stradling Yocca Carlson & Rauth, a Professional Corporation
Primary Individual Contact at Bond Counsel:	David Casnocha

Law Firm Serving as Underwriter's Counsel:	Nossaman LLP
Primary Individual Contact at Underwriter's Counsel:	Jeff Stava

Disclosure Counsel Firm:	Garcia, Hernandez, Sawhney & Bermudez, LLP
Primary Individual Contact at Disclosure Counsel:	Krishna Pettit

2010 Bonds Series B:

Senior Managing Underwriting Firm:	Piper Jaffray & Co.
Primary Individual Contact at Underwriter:	Jeff Baratta
Financial Advisor:	KNN Public Finance, a Division of Zions First National Bank
Primary Individual Contact at Financial Advisor:	Dave Olson (who is at a new firm; the District's current contact is David Leifer)
Bond Counsel Firm:	Stradling Yocca Carlson & Rauth, a Professional Corporation
Primary Individual Contact at Bond Counsel:	David Casnocha
Law Firm Serving as Underwriter's Counsel:	Nossaman LLP
Primary Individual Contact at Underwriter's Counsel:	Jeff Stava
Disclosure Counsel Firm:	Garcia, Hernandez, Sawhney & Bermudez, LLP
Primary Individual Contact at Disclosure Counsel:	Krishna Pettit

5. Please include any facts that the Self-Reporting Entity would like to provide to assist the staff of the Division of Enforcement in understanding the circumstances that may have led to the potentially inaccurate statements:

After engaging its Financial Advisor, KNN Public Finance, a Division of Zions First National Bank, to conduct a comprehensive review of its past compliance with its continuing disclosure undertakings, and prepare a report detailing any potential deficiencies, the District has found that it inadvertently failed to make certain filings required by its continuing disclosure undertakings on a timely basis, as detailed below. Certain of these failings were not fully and completely reflected in the Official Statements listed above. Prior to the posting of the above-referenced Official Statements, the District believed its disclosure in such Official Statements was materially accurate as of their date.

The District had retained (and still retains) KNN Public Finance, a Division of Zions First National Bank, as dissemination agent, in 2007 to assist with the filing of its annual reports and material event notices required by continuing disclosure undertakings entered into in conjunction with the District's general obligation bonds. The District is currently in the process of adopting a board policy of formal disclosure procedures to guide the preparation of future Annual Reports and notice of enumerated events.

The District, by setting forth the information below, does not concede that the information was necessarily material, or potentially material:

The Official Statement for the 2005 Bonds Series D stated "*For at least the last five years, the District has complied in all material respects with its continuing disclosure obligations.*"

The Official Statement for the 2011 Refunding Bonds stated "*For at least the last five years, the District has complied in all material respects with its continuing disclosure obligations.*"

The Official Statement for the 2010 Bonds Series A stated *"During at least the last five years, the District has complied in all material respects with its previous undertakings to file annual reports or notices of material events as required under the Rule."*

The Official Statement for the 2012 Refunding Bonds stated *"During the last five years, the District has complied in all material respects with its previous undertakings to file annual reports or notices of material events as required under the Rule."*

The Official Statement for the 2010 Bonds Series B and the 2012 Bonds Series A stated *"During the last five years, the District has complied in all material respects with its previous undertakings to file annual reports. However, from time to time, the District has failed to file notices of enumerated events relating to rating changes resulting from ratings downgrades of the bond insurer, although such filings have subsequently been met. In the future, the District intends to file any notices of enumerated events within 10 days of the occurrence of such event as required by the Rule."*

Specific Instances of Non-Compliance with the District's Continuing Disclosure Undertakings:

A) The District did not timely file its second interim reports for Fiscal Year 2009-10, Fiscal Year 2010-11, Fiscal Year 2011-12, or Fiscal Year 2013-14 as required by the Continuing Disclosure Undertaking for its 2009 General Obligation Bonds Election of 2005, Series C-1 (Tax-Exempt) (the "2005 Bonds Series C-1"), 2009 General Obligation Bonds Election of 2005, Series C-2 (Federally Taxable – Issuer Subsidy – Build America Bonds) (the "2005 Bonds Series C-2") and its 2009 General Obligation Refunding Bonds (the "2009 Refunding Bonds" and, together with the 2005 Bonds Series C-1 and the 2005 Bonds Series C-2, the "2009 Bonds").

The District notes that of its many transactions, the continuing disclosure undertaking entered into in connection with the 2009 Bonds (the "2009 Undertaking") is the only existing continuing disclosure undertakings that requires the District to submit budgetary data three times a year: its adopted budget, as well as its first and second interim reports. Due to the nonconforming nature of the 2009 Undertaking from the District's other continuing disclosure undertakings, and the little amount of time between the District's deadline to make filings under the 2009 Undertaking and the time in which the second interim report is typically approved by its Board of Education, the District inadvertently did not fully submit and disclose all information required by the 2009 Undertaking.

The District also notes that the requirement in the 2009 Undertaking that the District file its interim reports is not standard in the industry. Since the District filed two of the three required budgetary reports (i.e., its adopted budget and its first interim report) in each of the prior five fiscal years, the investor community was provided with significantly more information on the District than it had with most other issuers.

B) Due to an administrative and ministerial error, the District did not include information regarding the Major Taxpayers in the District in its annual report for Fiscal Year 2006-07 when it was originally filed in March of 2008. Such information was included in the Official Statement for the District's General Obligation Bonds, Election of 2005, Series B, which was posted on July 15, 2008, and was later refiled on July 2, 2014.

C) Due in part to the belief of its dissemination agent at the time that knowledge of the recalibrations of ratings of school districts was industry wide and known by the investor community, The District failed to file notices of the following recalibrations of the underlying rating on its General Obligation Bonds:

i) On April 16, 2010, Moody's recalibrated the underlying credit ratings on the District's General Obligation Bonds from "A2" to "Aa3", including its 2000 Bonds Series B, 2000 Bonds Series C, 2002 Bonds Series A, 2002 Bonds Series B, 2002 Bonds Series C, 2002 Bonds Series D, 2005 Bonds Series A, 2005 Bonds Series B, 2005 Bonds Series C, and 2009 Refunding Bonds.

ii) On April 30, 2010, Fitch recalibrated the underlying credit ratings on the District's General Obligation Bonds from "A-" to "A+", including its 2000 Bonds Series B, 2000 Bonds Series C, 2002 Bonds Series A, 2002 Bonds Series B, 2002 Bonds Series C, 2002 Bonds Series D, 2005 Bonds Series A, 2005 Bonds Series B, 2005 Bonds Series C, and 2009 Refunding Bonds.

D) The District's annual reports filed for Fiscal Year 2004-05 was timely filed for the majority of its bond issues, but was not correctly associated with CUSIP numbers for its 1994 Certificates of Participation (the "1994 Certificates").

E) The District's annual reports filed for Fiscal Year 2007-08 was timely filed for the majority of its bond issues, but was not correctly associated with CUSIP numbers for its General Obligation Bonds Election of 2002, Series A (the "2002 Bonds Series A") and its 2001 General Obligation Refunding Bonds, Series B (the "2001B Refunding Bonds").

F) Due in part to the belief of its dissemination agent at the time that knowledge of the ratings downgrades of the municipal bond insurers was industry wide and known by the investor community, between 2008 and 2014, the District has on multiple occasions failed to file notices of rating changes on certain of its Bonds and Certificates of Participation, when these changes related to rating changes of the various bond insurers providing municipal bond insurance policies to support its securities. Specifically, notices were not filed when the ratings of insurers of the following securities changed:

i) The rating of Assured Guaranty Municipal Corp. ("AGMC") was downgraded by Moody's Investors Service ("Moody's") to "A2" on January 17, 2013. The rating of Assured Guaranty Corp. ("AGC") was downgraded by Moody's on January 17, 2013 to "A3". AGMC provides municipal bond insurance policies for the 2005 Bonds Series D, the 2011 Refunding Bonds, the 2010 Bonds Series A, and the 2012 Refunding Bonds. AGC provides a municipal bond insurance policy for the 2005 Bonds Series C-1;

ii) AGMC has previously acquired Financial Security Assurance Inc. ("FSA") in 2009. The rating of FSA was downgraded by Fitch Ratings, Inc. ("Fitch") to "AA" on October 12, 2009 and the rating of AGMC was withdrawn by Fitch on February 24, 2010. The rating of AGC was downgraded by Fitch to "AA-" on October 12, 2009 was withdrawn by Fitch on February 24, 2010. FSA provided municipal bond insurance policies for the District's General Obligation Bonds Election of 2002, Series A (the "2002 Bonds Series A") and its General Obligation Bonds Election of 2005, Series A (the "2005 Bonds Series A"). AGC provided municipal bond insurance policies for the 2005 Bonds Series C-1;

iii) The rating of Ambac Assurance Corporation ("Ambac") was withdrawn on November 30, 2010 by Standard and Poor's Ratings Services, a Standard & Poor's Financial Services LLC business ("S&P"). Ambac provides a municipal bond insurance policy for the 2005 Certificates;

iv) The rating of Berkshire Hathaway Assurance Corp. ("BHAC") downgraded by S&P on February 4, 2010 to "AA+", BHAC provides a municipal bond insurance policy for the District's General Obligation Bonds Election of 2005, Series B (the "2005 Bonds Series B");

v) The ratings of National Public Finance Guarantee Corp. ("National") were withdrawn and downgraded by S&P and Fitch on a number of separate occasions from 2009 to 2014. National assumed operation of Financial Guaranty Insurance Company ("FGIC") in September 2008 and MBIA Insurance Corporation ("MBIA") in February 2009. FGIC provides municipal bond insurance policies for the District's General Obligation Bonds Election 2000, Series A (the "2000 Bonds Series A"), its General Obligation Bonds Election of 2000, Series B (the "2000 Bonds Series B"), its General Obligation Bonds Election of 2000, Series C (the "2000 Bonds Series C"), its General Obligation Bonds Election of 2002, Series C (the "2002 Bonds Series C"), and its General Obligation Bonds Election of 2002, Series D (the "2002 Bonds Series D"). MBIA provides municipal bond insurance policies for the District's General Obligation Bonds Election of 2002, Series A (the "2002 Bonds Series A"), its 2001 General Obligation Refunding Bonds, Series A (the "2001A Refunding Bonds") and its 2001 General Obligation Refunding Bonds, Series B (the "2001B Refunding Bonds").

On behalf of the West Contra Costa Unified School District, I hereby certify that the District intends to consent to the applicable settlement terms under the MCDC Initiative.

WEST CONTRA COSTA UNIFIED SCHOOL
DISTRICT

By: *Sheri Gamba*
Sheri Gamba
Associate Superintendent, Business Services

APPENDIX 22

**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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*Approved Board
of Education
January 20, 2016*

January 13, 2016

Lisa LeBlanc
Associate Superintendent ● Operations and Bond Program
West Contra Costa Unified School District
1400 Marina Way South
Richmond, CA 94804

Re: West Contra Costa Unified School District (WCCUSD) Board of Education Forensic
Accounting Investigation – RFP, dated August 12, 2015

Dear Ms. LeBlanc:

Vicenti, Lloyd & Stutzman, LLP (“VLS”) has been advised that the WCCUSD (District) subcommittee (Subcommittee for the Clay Investigation – “Subcommittee”) is recommending our firm to conduct a Phase II for the District's school construction bond program forensic accounting investigation. As such, we have been requested to provide you with the scope, deliverables, milestones and timeline that align with the RFP and the Subcommittee's request, along with our projected cost for this project.

This letter, when signed by all parties, will constitute our engagement letter for the services to be performed by VLS as articulated in this agreement. The information provided below is for Phase II of this project. We are pleased to provide you this information and look forward to working with you on this matter.

SCOPE OF SERVICES

Reference is to be made to the WCCUSD “Request for Proposals” Board of Education Forensic Accounting Investigation (RFP), dated August 12, 2015. This RFP specifically articulates the scope of the services that VLS will follow. This scope is as follows:

1. Conduct a forensic accounting investigation of items in an approved scope of work and provide progress reports to the Subcommittee;
2. Deliver a preliminary report of findings and recommendations directly to the Subcommittee; and;
3. Make a final report of findings and recommendations to the Board of Education at a regularly scheduled meeting.

2210 E. Route 66, Ste. 100, Glendora, CA 91740 ♦ Tel 626.857.7300 ♦ Fax 626.857.7302
915 Wilshire Boulevard, Ste. 2250, Los Angeles, CA 90017 ♦ Tel 213.550.5422
Email INFO@VLSLLP.COM ♦ Web WWW.VLSLLP.COM

APPROVED SCOPE OF WORK FOR PHASE II

On January 7, 2016, VLS submitted a Proposed Scope of Work for Phase II (Test of Controls and Forensic Investigation) on the District's school construction bond program, which was prepared for the internal use of the District pursuant to our engagement letter dated September 30, 2015 between VLS and the WCCUSD. On January 11, 2016, VLS was advised that the Subcommittee is recommending for Board approval all the proposed scope of work steps articulated by VLS.

The Proposed Scope of Work for Phase II is divided into two sections: Proposed Scope of Work for Phase II – Test of Controls (TC) and Proposed Scope of Work for Phase II – Forensic Accounting Investigation (FI) section. Attached to this engagement letter as Exhibit A is the specific detail for Scope of Work for Phase II as articulated by VLS and recommended by the Subcommittee for Board approval.

Phase II of this project will be completed utilizing standards in accordance with the American Institute of Certified Public Accountants (“AICPA”) Statements on Standards for Consulting Services contained in Rule 201 of the AICPA Code of Professional Conduct. In consulting engagements, the nature and scope of work is determined solely by the agreement between the practitioner (VLS) and the client (West Contra Costa Unified School District). The project does not constitute an audit, compilation, or review, in accordance with Standards of the AICPA, the objective of which would be the expression of an opinion on any specified elements, accounts, or items.

Because of the unique nature of fraud and because our engagement is limited to the matters described in this engagement, fraud and/or financial irregularities may exist within the organization that we will not identify during the performance of our procedures. Consequently, neither the District nor any other party acting on its behalf shall hold VLS or any of its affiliates or representatives legally responsible for any loss or liability that may result from the non-discovery of facts or information that could otherwise influence the outcome or interpretation of our findings and/or testimony.

However, if during the performance of our services other matters come to our attention suggesting possible financial improprieties and/or irregularities, we will communicate such matters to legal counsel and not perform any work concerning these new matters. If we are directed by legal counsel or the District to perform any services in these new areas, VLS will not perform any services in these new matters until a new or amended engagement letter has been executed between the District and VLS.

This engagement does not include providing an opinion on the financial statements of the District nor is it a Performance Audit as defined in the Government Auditing Standards.

In accordance with these standards, no opinion is expressed by VLS regarding the legal culpability of any person, party or organization.

SUMMARY OF METHODOLOGY AND APPROACH

Test of Controls (TC) Section: For each area identified where VLS will test internal controls (TC), the work will generally be performed in two parts. The first part will include meeting with the District staff and/or SGI and other appropriate individuals to understand and document the detailed processes and procedures being followed, including what internal controls are in place within those processes and procedures. VLS will identify the significant internal controls that have been implemented and are being relied upon by the District to reduce the risk of fraud, waste or abuse. Once the significant internal controls are fully identified, the population of transactions related to those controls will be identified, and a sample will be selected for testing.

The second part of this process involves VLS obtaining and reviewing the supporting documentation for the samples selected to verify that the significant controls identified are in place and are being followed. VLS will also request and review other relevant documents, including process and procedure manuals, Board policies, bond related documents, and construction related records. Particular attention will be given to understanding those aspects of the District's processes which relate specifically to the internal control to be assessed and tested.

Both parts will require heavy involvement from the District staff and possibly SGI and other staff who are involved in the areas identified for testing.

As articulated in our Phase I Bond Program Fraud Risk Assessment delivered to the Subcommittee on January 7, 2016, the items selected for Phase II scope of work for TCs are directly related to the Risk of Fraud Areas identified in the Fraud Risk Assessment. Attached to this engagement letter as Exhibit B is the Phase I Bond Program Fraud Risk Assessment delivered to the Subcommittee on January 7, 2016.

Forensic Accounting Investigation (FI) Section: The steps proposed to be performed for the FI section, involve primarily historical transactions. For each area identified where VLS will perform a forensic accounting investigation, the work will consist of two parts as well. Both of these parts will require heavy involvement from the District staff and possibly SGI and other staff who are involved in the areas identified for testing.

The first part will include interviewing select District staff as well as select SGI staff and other relevant parties to gather information specific to the areas requiring a forensic accounting investigation. Interviews may be conducted to gather additional information related to specific transactions. These interviews could involve neutral third-party witnesses, corroborative witnesses, co-conspirators, and possibly the subject of any investigative areas. The second part of this process can involve the following areas of work:

Document examination – Obtaining, organizing, reviewing and analyzing appropriate records, ledgers and overall detailed accounting information

Data analytics – Advanced software tools will be used to review financial relationships, to identify unusual transactions or data patterns, and assist in identifying transactions that should be reviewed or further examined.

Computer forensics and email review – Certain schemes of fraud and corruption happen off the books of the victim organization. Additional evidence can be gathered by reviewing documents and emails of those who may be involved in a particular scheme.

Background checks and investigations – To determine whether conflicts of interest exist, background checks may be conducted on certain individuals to assist in identifying company affiliations or personal relationships.

Observations – On-site observations of construction sites may be necessary to provide further evidence of the type and level of activity related to certain construction projects.

Both of these two parts may be performed simultaneously during Phase II.

DELIVERABLES, PROTOCOLS AND TIMELINE

Deliverable for TC's Scope of Work: Reference is made to the Phase I Bond Program Fraud Risk Assessment delivered to the Subcommittee on January 7, 2016. Based on the results of the work to be performed by VLS during Phase II, for the seventeen (17) TC steps identified in the Scope of Work, VLS will assign a new "Risk Score" to the Risk Assessment - Either a High, Medium or a low Risk of fraud, waste or abuse. Currently, this column (the last column to the right of the Risk Assessment) was intentionally left blank and will be completed with the new Risk Score. This new Risk Score will be based on the current controls that will be tested in Phase II.

In addition, if a new Risk Score is identified as a Medium or High risk, VLS will also report any recommendations for the District to consider implementing in order to lower the Risk Score to a Low risk.

Succinctly, the deliverable for this TC section will be the same Phase I – Bond Program Fraud Risk Assessment delivered to the Subcommittee on January 7, 2016, however, it will have the last column filled-in with a new Risk Score. In addition, any recommendations for the District to lower the Risk Score to a Low risk will be provided in written form to the Subcommittee. VLS will maintain in our work papers the specific investigation performed during the testing of TCs; such as names of individuals interviewed and documents examined. This information will be available to legal counsel and will only be disseminated according to his direction and instructions.

Deliverables for FI's Scope of Work: VLS will prepare a written report which will generally address the following for each FI step:

- The work performed such as: number of individuals interviewed (names of interviewees will only be disclosed based upon direction from legal counsel); identification of records, documents, and accounting records reviewed; methodology for data analytics and sample size(s) selection for transactions selected for testing; methodology and scope of computer forensics and email review; background checks; and any other work investigative steps performed.

- Identification of any obstacles encountered by VLS in performing our services in Phase II.
- Results of our work performed.
- Recommendations to the District for possible next steps and any other considerations that may arise as a result of work performed. In accordance with our professional standards, no opinion(s) will be expressed by VLS regarding the legal culpability of any person, party or organization.

Protocols: VLS will generally utilize the same protocols as established during Phase I as follows (with any modifications noted):

- The same “**secure portal**” protocol will be utilized to ensure all documents, records, information received during the course of this project; and all work papers, schedules, memorandums and other information generated and/or prepared by VLS are appropriately maintained in accordance with any legal, investigative and/or consulting standards for this project.
- VLS has been advised by legal counsel that **Status Reports** will be provided by VLS to legal counsel every thirty (30) days. The first Status Report will be prepared by VLS 30 days from the date of the signed engagement letter. The date of the next Status Report will be identified in each Status Report.
- VLS and the District will utilize the same protocol established for Phase I for **VLS to request and obtain necessary documents, records, and information from the District.**
- Once the engagement letter has been signed, VLS will meet with legal counsel to discuss our **specific plan** to perform the steps and work as articulated in our scope of work. This will include, at a minimum: persons to be interviewed, dates of interviews, dates of travel to the District by VLS staff, written list of documents to be requested by VLS of the District, and other relevant steps and timeline of work to be performed by VLS in Phase II. Subsequent to our meeting with legal counsel, it is anticipated that legal counsel will arrange discussions with the Subcommittee to provide a briefing on our work plan.

Timeline: Reference is to be made to the WCCUSD “Request for Proposals” Board of Education Forensic Accounting Investigation (RFP), dated August 12, 2015 which states that a preliminary report of findings and recommendations will be delivered directly to the Subcommittee; and; a final report of findings and recommendations will be delivered to the Board of Education at a regularly scheduled meeting.

VLS’s goal is to deliver the preliminary report of findings and recommendations to the Subcommittee approximately seven months from the date of the signed engagement letter. A final report of findings and recommendations will be delivered to the Board of Education at a regularly scheduled meeting to be determined by the Subcommittee.

ENGAGEMENT STAFFING

VLS will staff Phase II with the same team that was engaged in Phase I. Leaders of this team include Ernest C. Cooper, Partner, CPA/CFF, JD, CFE and retired Special Agent of the Federal Bureau of Investigation who will participate, oversee and be responsible for this engagement; and Jenny Dominguez, Senior Manager, CPA/CFF, CFE who will be working directly with Mr. Cooper and also participate, oversee and manage this project. VLS does not anticipate any change of personnel from what was identified in the original "Request for Proposal."

ESTIMATED COST OF SERVICES

As was the case in Phase I, VLS will charge an hourly rate for productive hours worked by staff. The first column below (labeled Phase I Hourly Rates) represents the hourly rate for the work performed by VLS in Phase I. However, for Phase II, VLS has agreed to lower our hourly rate by approximately 10 % (ten percent) for each of our staff levels. Therefore, our hourly rates for Phase II are reflected in the second column (labeled Phase II Hourly Rates). We are pleased to offer this discounted rate to the District.

<u>Staff</u>	<u>Phase I Hourly Rates</u>	<u>Phase II Hourly Rates</u>
Partner/Director	\$ 350	\$ 315
Senior Manager	\$ 270	\$ 243
Consultant	\$ 270	\$ 243
Manager	\$ 195	\$ 176
Senior Associate	\$ 160	\$ 144
Associate	\$ 140	\$ 126
Clerical	\$ 90	\$ 81

In addition to our discounted hourly rates for Phase II, VLS has also lowered the anticipated travel cost as a result of operational efficiencies in performing all the TCs and FIs. These lower travel costs are reflected in our proposed cost. Therefore, the total not-to-exceed cost for VLS to perform all the TCs and FIs as recommended by the Clay Investigation Subcommittee is now \$680,944. This does not include approximately \$44,280 for anticipated out of pocket travel related cost, which VLS will bill without any mark-up.¹ Following is a summary of the expected hours and costs based on the reduced Phase II hourly rates and summarized by work to be performed.

¹ The original cost as submitted by VLS to the Clay Investigation Subcommittee on January 7, 2016 for TC was \$268,934 and \$536,211 for a total of \$805,145. After small efficiency savings if VLS were to be engaged to perform all of the work as proposed, the total cost stated was \$798,705. The new total cost proposed by VLS for Phase II is \$725,224 [\$680,944 + \$44,280] which is \$73,481 lower than originally proposed as total cost.

Test of Controls (TC)	Estimated Hours	Cost
Initial Planning	103	\$ 19,647
Interviews	380	72,162
Document Examination	448	68,562
Data Analytics	16	2,556
Computer Forensics and Email Review	0	-
Background checks and Investigation	0	-
Observations	34	5,580
Project Oversight, Supervision and Review of Work	308	58,942
Total Test of Controls (TC)	1,289	\$ 227,449

Forensic Investigation (FI)	Estimated Hours	Cost
Initial Planning	207	\$ 39,173
Interviews	504	93,312
Document Examination	821	126,576
Data Analytics	50	8,676
Computer Forensics and Email Review	228	35,640
Background checks and Investigation	42	8,694
Observations	122	23,904
Project Oversight, Supervision and Review of Work	620	117,520
Total Forensic Investigation (FI)	2,594	\$ 453,495
Total for TC and FI	3,883	\$ 680,944

Travel Cost: (Flight, Hotel, Per Diem, Car Rental) \$ 44,280

See attached Exhibit C for the Proposed Scope of Work for Phase II reflecting the discounted Phase II hourly rates. VLS will bill for this project on a monthly basis as work is performed. VLS will bill time only if incurred and therefore if the project requires less time than projected, the cost will be less.

CONFIDENTIALITY AND WORK PRODUCT

This letter confirms our understanding of your retention of VLS for this matter. VLS understands and acknowledges that Kawahara Law APC is acting as special outside legal counsel to the subcommittee, and acting as agent for the District. VLS further understands and acknowledges that the services provided are being requested by Kawahara Law APC on behalf of the District, and will be performed at the direction of Kawahara Law APC in order to assist Kawahara Law APC in providing confidential and privileged legal advice to the subcommittee, which is acting to supervise the investigation by delegation from the District. VLS understands that it is Kawahara Law APC and the District's intention that the forensic accounting work performed by VLS under this Agreement will be covered by the attorney-client privilege, the attorney work-product doctrine, and all other applicable privileges and protections and shall not be disclosed except at the direction of legal counsel or pursuant to a court order.

If any person or entity requests by subpoena or court order any information or materials relating to this engagement which is within the custody or control of VLS (or the custody or control of agents or representative of VLS), VLS will inform legal counsel of such request and cooperate

with legal counsel to the extent legal counsel objects or moves to quash such request or subpoena.

Further, documents received by VLS pursuant to this engagement will be maintained by us as confidential material. In the event we receive any other information and materials or other matter protected by the attorney-client privilege, VLS agrees that such information and materials will remain privileged and that VLS will maintain the confidentiality of such information and materials (as well as any documents that incorporate such materials or information). It is the normal policy for VLS to retain such documents for five years from the date of completion.

Any reports generated by VLS are to be used only in connection with the matters discussed in this engagement and may not be published or used in any other manner without the written consent of VLS.

Sincerely,



Ernest C. Cooper, CPA, CFE
Partner

We agree to the terms outlined in this engagement letter, and by signing this letter authorize Vicenti, Lloyd & Stutzman, LLP to begin work on this engagement.

West Contra Costa Unified School District:

Signature

Date

Print Name

Title

Kawahara Law APC:



K. Kawahara, President

1/13/2016
Date

James

West Contra Costa Unified School District - Bond Program
Proposed Scope of Work for Phase II
Test of Controls Section ("TC")
January 13, 2016

Test of Controls Areas	Scope of Work	HOURS	AVERAGE HOURLY RATE	AMOUNT	Amount Stated on January 7, 2016	Offset for Phase II
Conflict of Interest - CBOC						
COI (7)						
TC(1)	Determine whether the revised District/Board policy for the selection and appointment of the Citizens Bond Oversight Committee (CBOC) members is transparent, neutral, and free of possible conflicts or loyalties.					
Subtotal		24	\$ 171	\$ 4,104	\$ 4,560	\$ 456
Conflict of Interest - Steering/Prioritization Committees						
COI(8) VCA(1)						
TC(2)	Review the mission, goals and actions of the Steering Committee and Prioritization Committee to ensure they are adequate for meeting the objectives of analyzing school building conditions based on pre-established criteria that prevents political (or other) influence and pressure. Where appropriate, test the controls/process to determine overall effectiveness.					
Subtotal		58	\$ 163	\$ 9,468	\$ 10,520	\$ 1,052
Conflict of Interest - Bond Program Expenditures						
COI (8)						
TC(3)	Review and assess the adequacy of internal controls in place to ensure that bond program expenditures are incurred in compliance with voter approved bond measure language and whether schools identified for construction or modernization were actually constructed or modernized. Note those schools that were included in bond language, but never started. Perform a test of these internal controls to determine overall effectiveness.					
Subtotal		68	\$ 167	\$ 11,322	\$ 12,580	\$ 1,258
Compliance with Legal Requirements and Board Policies - Governance						
COI(1, 2, 5, 6) GOV(2, 5) VCA(3, 11)						
TC(4)	Test to determine whether the DRAFT of the Governance Handbook and related documentation are comprehensive, adequate and sufficient in addressing the duties and responsibilities of the Board and addresses the following areas: <ul style="list-style-type: none"> - Board is not involved in the operations of the Bond program - What is added as agenda items presented to the Board - Brown Acts requirements - Conflict of Interest rules - Conflict of Interest rules pertaining to vendors - Involvement with District decisions - Interactions with District employees and vendors - Proposing amendments to vendor contracts 					
Subtotal		52	\$ 190	\$ 9,882	\$ 10,980	\$ 1,098
Budgeting Practices - Master Planning						
COI(6) GOV(2, 5, 6) BUD(1, 2) VCA(1) PAM(2)						
TC(5)	Review and assess the Master Planning budgeting process to determine whether appropriate steps have been put into place to adequately budget future school construction/modernization projects. Determine whether detailed budgets are prepared and approved by the Board, are shared with the Board and public where appropriate, and are used to track project performance and results. Perform a test of these internal controls to determine overall effectiveness. Determine whether remaining school projects can be completed with the remaining funding, and determine whether the architect(s) involved in the master planning process have a prior relationship with the District.					
Subtotal		60	\$ 164	\$ 9,864	\$ 10,960	\$ 1,096
Budgeting Practices - Adequacy/Completeness						
BUD(1, 2, 3, 4, 5, 6, 7) VCA(5, 8, 9) PAM(2, 4)						
TC(6)	Review and assess the adequacy of the internal controls related to budgeting practices. Ensure that the policies, procedures and overall accounting for budgeting practices is adequate and complete. Ensure that the process for detailed line-by-line budget preparation and reporting to the Board and relevant committee(s) is accurate, thorough and comprehensive. Perform a test of these internal controls to assess overall effectiveness.					
Subtotal		54	\$ 183	\$ 9,882	\$ 10,980	\$ 1,098
Vendor Contract Administration - Vendor Due Diligence						
COI(3) VCA(2, 4, 5, 8, 15)						
TC(7)	Review and assess the current process to determine if there are adequate internal controls in place which allow for the District to perform the appropriate "Vendor Due Diligence" prior to contracting with vendor(s). Perform a test of these internal controls to determine overall effectiveness.					
Subtotal		54	\$ 156	\$ 8,442	\$ 9,380	\$ 938

January 13, 2016

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Prepared by VLS for the internal use of the West Contra Costa Unified School District pursuant to standards of the AICPA and the ACPE. In accordance with these standards, no opinion is expressed by VLS regarding the legal culpability of any person, party or organization.

Test of Controls Areas	Scope of Work	HOURS	AVERAGE HOURLY RATE	AMOUNT	Amount Stationed, January 7, 2016	Discount for Phase II
Vendor Contract Administration - Vendor Contracts						
Areas of Risk	GOV (1, 2, 5) BUD (7) VCA (1, 2, 4, 5, 6, 8, 11, 13, 15) PAM (3)					
TC(8)	<p>Review and assess the internal controls related to the overall administration of Bond and Vendor contracts to ensure these contracts:</p> <ul style="list-style-type: none"> - Are thoroughly evaluated, appropriate and complete - Are now being memorialized and all administrative/regulatory guidelines and procedures are being followed - Are now being submitted to the Board for approval and are within the approved budget <p>Ensure internal controls are in place which address communications with Board related to budgeting and vendor contracting and are thorough and complete. Perform a test of these internal controls to determine overall effectiveness.</p>					
	Subtotal	62	\$ 165	\$ 10,260	\$ 11,400	\$ 1,140
Vendor Contract Administration - Bidding Process						
Areas of Risk	VCA (7)					
TC(9)	Review and assess the internal controls involving the District bond program bidding process to ensure it is in compliance with administrative/educational policies and procedures. Perform a test of these internal controls to assess overall effectiveness.					
	Subtotal	46	\$ 174	\$ 8,010	\$ 8,900	\$ 890
Vendor Contract Administration - Reporting						
Areas of Risk	VCA (12)					
TC(10)	Review and assess internal controls to ensure all reports generated and provided by SGI to the Board, District, CBOC and/or Facilities Subcommittee are in line with contract specifications. Perform a test of these internal controls to assess overall effectiveness.					
	Subtotal	28	\$ 164	\$ 4,590	\$ 5,100	\$ 510
Vendor Contract Administration - Invoice Payments						
Areas of Risk	VCA (16) BPO (1, 2, 3, 4, 6, 7)					
TC(11)	Review and assess the internal controls over the District approval of invoices submitted by SGI and other vendors to ensure that controls are adequate, thorough, transparent and financially sound. Perform a test of these controls to assess overall effectiveness.					
	Subtotal	52	\$ 170	\$ 8,838	\$ 9,820	\$ 982
Billings and Performance of Outside Construction Manager						
Areas of Risk	BPO (5)					
TC(12)	Review and assess the internal controls over the District's involvement with the interviewing, hiring and promoting of SGI employees assigned to District projects to ensure they are adequate, thorough, transparent and financially sound. Perform a test of these controls to assess overall effectiveness.					
	Subtotal	48	\$ 177	\$ 8,496	\$ 9,440	\$ 944
Change Order Approval and Accounting Practices						
Areas of Risk	COI (4) GOV (2, 5) COA (1, 3, 4, 5, 7) PAM (5)					
TC(13)	Review and assess the internal controls related to Change Orders and Vendor "Add Services" to ensure they are adequate, thorough, transparent and financially sound. Perform a test of these controls to assess overall effectiveness.					
	Subtotal	62	\$ 172	\$ 10,692	\$ 11,880	\$ 1,188
Project Accounting Systems - Munis						
Areas of Risk	BUD (3, 4, 5, 6, 7) VCA (5, 8, 9) PAM (1, 2, 4, 5, 6)					
TC(14)	<p>Review and assess the internal controls in place to ensure:</p> <ul style="list-style-type: none"> - That the procedures for Munis tracking of budgets, including the multi-year functionality is adequate, reliable and accurate - That the reconciliation process between the project ledger and the general ledger in Munis is accurate and complete - That access rights in Munis for all data entry points related to the bond program are under the responsibility of the District only <p>Will perform a detailed walkthrough of the process for entering bond program related information into Munis (contracts, change orders, etc.) to gain a detailed understanding of the process and ensure proper controls are in place. Perform a test of these internal controls to assess overall effectiveness.</p>					
	Subtotal	74	\$ 162	\$ 12,006	\$ 13,340	\$ 1,334
Project Accounting Systems - Primavera						
Areas of Risk	GOV (4) VCA (10) COA (2, 6) PAM (5) PAP (1, 2, 3) FRP (1, 3, 4)					
TC(15)	<p>Review and assess the internal controls in place to ensure:</p> <ul style="list-style-type: none"> - Primavera is accurate, reliable, and appropriately updated - To ensure procedures and controls have been adequately implemented to recover any potential lost information - To ensure procedures and controls have been adequately implemented for recording of proposed change orders - To ensure procedures and controls have been adequately implemented - To ensure reconciliation between Munis and Primavera is accurate and complete <p>Perform a test of these internal controls to assess overall effectiveness.</p>					
	Subtotal	66	\$ 165	\$ 10,890	\$ 12,100	\$ 1,210

Test of Controls Areas	Scope of Work	HOURS	AVERAGE HOURLY RATE	AMOUNT	Amount Stated on January 7, 2016	Discount for Phase II
	Financial Reporting					
Areas of Risk	PAM (4) FRP (2, 3, 4)					
	Review and assess the internal controls concerning the District's preparation and distribution of the various financial reports summarizing program expenditures and encumbrances to ensure they are adequate, thorough, transparent and financially sound. Perform a test of these internal controls to assess overall effectiveness.					
TC (16)	Ensure the bond program financial reports produced by the Executive Director of Business Services (and staff) accurately and completely reflect the financial position of the bond program.					
	Subtotal	70	\$ 173	\$ 12,114	\$ 13,460	\$ 1,346
SUBTOTAL TO COMPLETE TEST OF CONTROLS WORK		878	\$ 170	\$ 148,860	\$ 165,400	\$ 16,540
	PROJECT OVERSIGHT, PLANNING, COMMUNICATIONS, AND REPORTING	411	191	\$ 78,589	\$ 87,321	\$ 8,732
	GRAND TOTAL TO COMPLETE THE TEST OF CONTROLS SECTION	<u>1,289</u>		<u>\$ 227,449</u>	<u>\$ 252,721</u>	<u>\$ 25,272</u>
	ESTIMATED TIME TO COMPLETE IN MONTHS	4				
	TRAVEL EXPENSES			\$ 14,790	\$ 16,213	\$ 1,423
	Total TC			\$ 242,239	\$ 268,934	\$ 26,695

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West Contra Costa Unified School District - Bond Program
Proposed Scope of Work for Phase II
Forensic Investigation Section ("FI")
January 13, 2016

Forensic Investigation Areas	Scope of Work	HOURS	AVERAGE HOURLY RATE	AMOUNT	Amount Stated on January 7, 2015	Discount for Phase II
Conflict of Interest						
Areas of Risk	COI (3) GOV (2, 5, 6) BUD (1, 2, 4, 8) VCA (1, 3) PAM (2)					
FI (1)	Conduct appropriate Investigative steps to identify contributions, gifts, or other payments made by District vendors to specific outside organizations, District Board members or District employees, which may have been given as a result of undue influence by District Board members or District employees					
	Subtotal	412	\$ 165	\$ 68,166	\$ 75,740	\$ 7,574
Budgeting Practices						
Areas of Risk	BUD (1, 2, 5)					
FI (2)	Conduct appropriate Investigative steps to: - Determine which projects had budgets approved by the Board or by an individual or committee authorized by the Board - On a sample basis, review past project expenditures and compare to identified budgets - Determine whether budgets submitted to the Board historically have been sufficient and free of errors					
	Subtotal	132	\$ 152	\$ 19,998	\$ 22,220	\$ 2,222
Vendor Contract Administration - SGI						
Areas of Risk	VCA (3, 8, 13, 15) BPO (2, 3, 4, 5, 6, 7) COA (5)					
FI (3)	Conduct appropriate Investigative steps to determine: - If Facilities Subcommittee recommended to the Board that SGI be selected contrary to staff recommendation - If SGI withheld or failed to make payments to subcontractors working on District projects through SGI - If SGI was paid inappropriately for sick and vacation time and if SGI billed the District for hours not worked by SGI employee - If District paid SGI for computers that were never received at the District office - If SGI employees possess the appropriate qualifications as stated in the terms specified in the SGI contract with the District - If sufficient supporting documentation was provided with invoices submitted by SGI to the District - If SGI communicated an incorrect and lower cost for change orders					
	Subtotal	490	\$ 169	\$ 82,908	\$ 92,120	\$ 9,212
Areas of Risk	VCA (1, 15) BPO (3, 7)					
FI (4)	Construction expert to: - Conduct industry benchmarking - Assess if the SGI contract is reasonable and within industry standards - Review staffing levels of SGI compared to services delivered and volume of projects					
	Subtotal	99	\$ 230	\$ 22,779	\$ 25,310	\$ 2,531
Vendor Contract Administration - Vendor Contracts and Payments						
Areas of Risk	COI (4) GOV (2, 5) VCA (2, 4, 5, 8, 9, 15, 16) BPO (1, 2, 3, 4) PAM (3)					
FI (5)	Conduct appropriate investigative steps to test a sample of vendor invoice payments to verify the following: - Contracts were appropriately approved by the Board - Appropriate contracts were executed - Payment was made timely - Invoice contains the appropriate District approval for payment - Payment agrees with contract terms - No duplicate payments (or overpayments) were made to a vendor due to two purchase orders being created for one contract					
	Subtotal	99	\$ 154	\$ 15,219	\$ 16,910	\$ 1,691
Areas of Risk	GOV (3)					
FI (6)	Assess the responsibilities of the CBOC based on California Education Code and the California State Constitution and determine what actions taken by the CBOC may overstep their responsibility					
	Subtotal	6	\$ 177	\$ 1,062	\$ 1,180	\$ 118
Vendor Contract Administration - Architect Firms						
Areas of Risk	VCA (1) BPO (4) GOV (6) COA (1)					
FI (7)	Conduct appropriate investigative steps to: - Evaluate if contracts with and payments to architect firms were appropriate - Evaluate the timing elapsed between commencement of design work and commencement of construction - Determine whether architects were approved for "add services" due to the need for updated designs - Determine whether "add service" of \$7 million approved for VLC was appropriate - Determine whether "add service" of \$800,000 approved for other architectural firm was appropriate - Benchmark against industry standards - Assess the claim that Lovonya Dejean MS design was inappropriately billed as a new design and assess if this payment meets industry standards for this type of design					
	Subtotal	270	\$ 172	\$ 46,494	\$ 51,666	\$ 5,166

January 13, 2016

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West Contra Costa Unified School District - Bond Program
Proposed Scope of Work for Phase II
Forensic Investigation Section ("FI")
January 13, 2016

Forensic Investigation Areas	Scope of Work	HOURS	AVERAGE HOURLY RATE	AMOUNT	Amount Stated on January 7, 2015	Discount for Phase II
Vendor Contract Administration - Bidding						
Areas of Risk	VCA(7)					
FI(8)	Conduct appropriate investigative steps to test a sample of contracts and trace these contracts to bidding documentation to verify that appropriate bidding processes took place, if appropriate					
	Subtotal	65	\$ 150	\$ 9,774	\$ 10,860	\$ 1,086
Vendor Contract Administration - Retention Release Payments						
Areas of Risk	VCA(14) COA(7)					
FI(9)	Conduct appropriate investigative steps to: - On a sample basis, test retention release payments to assess whether payment was made in accordance with the District's retention payment policy - Assess the claim that retention was released to a particular contractor prior to standard District policy/practice					
	Subtotal	54	\$ 171	\$ 9,252	\$ 10,280	\$ 1,028
Change Order Approval and Accounting Practices						
Areas of Risk	COA (3, 4, 5, 7)					
FI(10)	Conduct appropriate investigative steps to test a sample of change orders to assess for appropriate Board approval					
	Subtotal	46	\$ 148	\$ 6,822	\$ 7,580	\$ 758
Financial Reporting						
Areas of Risk	GOV(4) PAP(3) COA(2, 6) PAM(3) FRP(1)					
FI(11)	Conduct appropriate investigative steps to: - Determine whether Primavera has been fully adopted and is being updated as required - Review recent projects to determine whether PCOs have been entered into Primavera - Determine whether any change orders from the period when Primavera went down are currently not recorded in Primavera - Determine if multiple purchase orders were created for a single contract and determine the control deficiencies that allowed this to occur - Determine if the KPI and CAMP reports historically provided to the Board were inaccurate					
	Subtotal	94	\$ 152	\$ 14,328	\$ 15,920	\$ 1,592
SUBTOTAL TO COMPLETE FORENSIC INVESTIGATION WORK						
		1,767	\$ 168	\$ 296,802	\$ 329,780	\$ 32,978
PROJECT OVERSIGHT, PLANNING, COMMUNICATIONS, AND REPORTING		827		\$ 156,693	\$ 174,104	\$ 17,411
GRAND TOTAL TO COMPLETE THE FORENSIC INVESTIGATION SECTION		2,594		\$ 453,495	\$ 503,884	\$ 50,389
ESTIMATED TIME TO COMPLETE IN MONTHS		6				
TRAVEL EXPENSES				\$ 29,490	\$ 32,327	\$ 2,837
Total FI				\$ 482,985	\$ 536,211	\$ 53,226

January 13, 2016
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**WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT
CITIZENS' BOND OVERSIGHT COMMITTEE
ANNUAL REPORT 2015**

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