

# OUSD Measure S Citizens' Oversight Committee Annual Report

**March 8, 2018**

1

## What is the Citizens' Oversight Committee (COC)?

Ed Code 15278 (b) - The COC is an independent body of volunteers whose purpose is:

1. Inform the public concerning the expenditure of bond revenues
2. Actively review and report on the proper expenditure of taxpayers' money for school construction
3. Advise the public as to whether a school district is in compliance with the requisite requirements of the California Constitution with respect to the expenditure of funds for school construction

Annual Report Ed Code 15280 (b) - A report shall be issued at least once a year. This is the first Annual Report of the COC for Bond Measure S.

2

## Who Serves on the COC?

A COC is required by the voters as part of the 2016 election and Proposition 39. Prospective members fill out an application, then are nominated by the Superintendent and appointed by the District's Board of Education. State law requires at least five members, who are active members in the following:

- Business Organization
- Senior Citizen Organization
- Bona fide Taxpayer Organization
- Parent or Guardian of a child enrolled in the District
- Parent or Guardian of a child enrolled in the District and active member of Parent-Teacher Organization
- Community-at-Large

3

## COC Members

- Diana Fascenelli, Chair (Parent Representative)
- Trevor O'Neil, Vice Chair (Business Organization Representative)
- Carolyn Cavecche (Bona Fide Tax Payers' Association)
- Bill Campbell (Representative at Large)
- Jennifer Schuerger (Parent-Teacher Organization Representative)
- Mrunal Shah (Representative at Large)
- Bill Utter (Senior Citizens' Organization Representative)

To find out more about the COC and review their Meeting Agendas & Minutes, Bylaws, presentation documents, project budgets, and the voter approved Bond language, please see:

<http://www.orangeusd.k12.ca.us/measureS/coc/index.asp>

4

## Measure S Financial Mechanics

- Measure S Program expenditures will be tracked separately:
  - Fund 21 – School Bond Measure S (Building Fund)
    - District Contributions
    - Bond Proceeds
  - Fund 35 – State School Building Fund
    - State Grant Contributions
- Measure S Bonds have not yet been issued
- \$12.73 million “loaned” by District through December 31, 2017
- Source: Fund 40 - Special Reserve Fund Capital Outlay Projects
- Loan to be repaid from initial bond sale proceeds
- Total Expenditures through December 31, 2017 ≈ \$5.6 million

5

## Budget & Expenditures Report 12/31/17

Budget Category	Budget	Expensed (Checks Issued)	Committed / Encumbered	Balance
<b>1. Design Cost Total</b>	\$9,605,657	\$3,848,459	\$5,757,198	\$0
<b>2. Construction Cost Total</b>	\$134,410,138	\$1,216	\$61,562	\$134,347,360
3.01 Program Management Fees	\$5,280,615	\$575,110	\$1,090,440	\$3,615,065
3.02 Construction Management Fees	\$7,426,074	\$592,247	\$6,833,827	\$0
<b>3. Program and Construction Management Total</b>	\$12,706,689	\$1,167,357	\$7,924,267	\$3,615,065
4.02 Title, Environmental, Stormwater Management	\$618,287	\$5,970	\$73,925	\$538,392
4.03 Commissioning	\$336,026	\$0	\$156,980	\$179,046
4.05 DSA Review Fees	\$1,780,924	\$288,046	\$0	\$1,492,878
4.06 Postage, Printing & Advertising	\$134,410	\$7,224	\$33,303	\$93,883
4.11 Preliminary Testing (Hazmat, Topo Survey, Geotech, Subsurface Imaging)	\$940,873	\$249,313	\$106,230	\$585,330
All Other Support Costs	\$18,747,755	\$0	\$0	\$18,747,755
<b>4. Construction Support Costs Total</b>	\$22,558,275	\$550,553	\$370,438	\$2,889,529
<b>5. Contingency (Escalation, Construction, Project) Total</b>	\$28,564,640	\$0	\$0	\$28,564,640
<b>ALLOCATED FUNDS TOTAL</b>	<b>\$207,845,399</b>	<b>\$5,567,585</b>	<b>\$14,113,465</b>	<b>\$188,164,349</b>
<b>Unallocated Bond Funds Total</b>	<b>\$80,154,601</b>	<b>\$0</b>	<b>\$0</b>	<b>\$80,154,601</b>
<b>Measure S Total</b>	<b>\$288,000,000</b>	<b>Total Expenditures Through 12/31/17</b>		

6

## Summary of COC Activities

- May 24, 2017 – Overview of the following:
  - COC Purpose and Duties
  - COC Meetings & Binder
- September 6, 2017 – Overview of August 2017 Bond Measure S Financial and Performance Report produced by the District
- January 24, 2018 – Overview of the following:
  - FY 2016/17 Bond Measure S Annual Financial and Performance Audit by Christy White and Associates
  - December 2017 Bond Measure S Financial and Performance Report produced by the District
- February 5, 2018 – Review and Discussion of the following:
  - FY 2016/17 Financial Reconciliation Report produced by the District
  - Annual Report of the Measure S Citizens Oversight Committee – March 8, 2018
- March 8, 2018 – Present Annual Report to the Board of Education

7

## COC Statement of Compliance

- The first annual report from program inception through December 31, 2017, has been submitted to the Orange Unified School District (OUSD) Board of Education by the Citizens' Bond Oversight Committee (COC) in accordance with California Education Code Section 15280(b).
- The COC adopted a motion at its meeting on February 5, 2018, to accept the Annual Report and declare that OUSD is in compliance with the requirements of Section 1 of Article XIII A of the California Constitution (Proposition 39).

8