



## **SBUSD MEASURES I2016 AND J2016 CITIZENS' BOND OVERSIGHT COMMITTEE** **DRAFT ANNUAL REPORT TO THE BOARD OF EDUCATION** **June 2018**

### **Legal Foundation for the Committee**

The Measures I 2016 and J 2016 Citizens' Bond Oversight Committee ("CBOC") submits this report to the Board of Education. This report is issued in conformance with the Strict Accountability in Local School Construction Bonds Act of 2000 ("Proposition 39") and Assembly Bill 1908 ("AB 1908") requiring that the School District Board of Education form an independent citizens oversight committee and that this committee inform the public about the expenditures of bond funds.

The CBOC wishes to thank the Santa Barbara Unified School District (SBUSD) staff who have assisted us with ongoing support for the activities of the committee. We appreciate the opportunity to serve as the "citizens' watchdog" for residents of SBUSD, verifying that Bond proceeds are expended only for the school projects on the ballot in conformity with guidelines established with Proposition 39 and AB1908.

### **Formation of the Committee and Charges**

The Measures I 2016 and J 2016 CBOC was formed on March 13, 2017 as a result of the passage of SBUSD Bond Measures I 2016 and J 2016 under Proposition 39 rules which allowed for the passage of the bond measure with a 55% vote as opposed to 2/3 vote required under Proposition 13. The school district must adhere to strict accountability guidelines in the execution of the bond spending per Proposition 39 and AB 1908 including the formation of the CBOC. Bond Measure I 2016, a \$135 Million Bond authorization, was passed by the voters in the SBUSD in November 2016, 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. Bond Measure J 2016, a \$58 Million Bond authorization, was also passed by the voters in the SBUSD in November 2016, 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.

The CBOC is appointed by the Board of Education and is charged by State law to review the School District's use of Measures I 2016 and J 2016 funds and to inform the public about those uses. The committee currently retains the appropriate community representation.

### **Executive Summary – Citizens Bond Oversight Committee**

#### Measure I 2016

The CBOC met for the first time on March 13, 2017 and has continued to meet and receive updates from District staff regarding District facilities activities. The CBOC has reviewed the project expenditure reports for Measure I 2016, discussed the expenditures amongst members and questioned staff to ensure that the expenditures are consistent with and in compliance with the Measure I 2016 ballot language. Additionally, the CBOC has visited sites under construction and received regular project updates for the work scheduled through the program. The most recent reports contain data through May 31, 2018 and indicate that as of that date, from the total \$100 million in bonds sold to date, there is \$45,324,682.26 remaining of available Measure I 2016 bond funds. We identified that no proceeds were spent on teacher salaries, administrative salaries or on operational expenses. As reported to the Committee, all of the funds have been spent on Measure I 2016 projects and the associated resources necessary to administer the projects and bond delivery costs. The Committee has also received copies of the annual independent performance and financial audits for Measure I 2016.

#### Measure J 2016

The CBOC met for the first time on March 13, 2017 and has met three times since then, receiving updates from District staff regarding District facilities activities. The CBOC has reviewed the project expenditure reports for Measure J 2016, discussed the expenditures amongst members and questioned staff to ensure that the expenditures are consistent with and in compliance with the Measure J 2016 ballot language.

Additionally, the CBOC has visited sites under construction and received regular project updates and indicate that as of that date, from the total \$40,000,000 in bonds sold to date, there is \$16,299,044.77 remaining of available Measure J 2016 bond funds. We identified that no proceeds were spent on teacher salaries, administrative salaries or on operational expenses. As reported to the Committee, all of the funds have been spent on Measure J 2016 projects and the associated resources necessary to administer the projects and bond delivery costs. The Committee has also received copies of the annual independent performance and financial audits for Measure J 2016.

This report was approved by the Committee at their meeting on \_\_\_\_\_.

Please do not hesitate to contact this committee if you have any concerns or questions regarding the expenditure of Measure R 2010 funds.

Respectfully submitted,

SBUSD Citizens Oversight Committee – Measures I2016 and J2016