

**BOARD OF EDUCATION
PASADENA UNIFIED SCHOOL DISTRICT
PASADENA, CALIFORNIA**

Topic: Citizens Oversight Committee Requirements and Guidelines Presentation

Recommendation: None – Information only

District Priority/Strategy: To ensure a clean, safe, and orderly environment that supports learning

I. BACKGROUND

The Citizens Oversight Committee (“C.O.C.”) completed its first year on April 15, 2010. It issued its first public report as of September 30, 2010 at the October 13, 2010 Board meeting. Its By-laws call for reports at least every six months.

II. STAFF ANALYSIS/DISCUSSION

This will be the second report consistent with Article 3.3 of the C.O.C. By-laws which call for discretionary reports as well as an annual report. A member of the Committee will present this second report, which is as of 3-31-10.

Attachments:

Citizens Oversight Committee Second Report

III. FISCAL IMPACT

No fiscal impact unless consultants are hired to assist in the process, which staff is not recommending.

**Pasadena Unified School District
Board of Education Agenda: June 15, 2010
Prepared by: Stephen Brinkman – Chief, Facilities**

Funding code: Measure TT

Originator: Stephen Brinkman, Chief - Facilities

**Pasadena Unified School District's Citizens' Oversight Committee
Report to the School Board and Community**

May 20, 2010

This report is provided as an update to the report by the Citizens' Oversight Committee (the "Committee") to the School Board and Community, dated September 17, 2009. The Committee will release its next annual report following the completion of the District's annual audit of the bond funds.

The Committee's Observations and Recommendations

Planning and policies

In our first report, we noted that the District had begun spending bond funds prior to making decisions about school closures and we stated our understanding that decisions on school closures would be made by the end of 2009. We note that the District has still not made decisions about school closures, notwithstanding that it has committed over \$51 million in bond funds (as of March 31, 2010) and begun work on 30 campuses. The Committee remains concerned that until the Board makes decisions about school closures, there is a risk that bond funds, beyond necessary maintenance and safety projects, will be spent on campuses that may not serve District students in the near future. We again call the Board's attention to this issue and recommend that the Board articulate how it intends to minimize this risk.

Infrastructure

In our first report, we recommended that the Board ensure that its expenditure tracking program be fully implemented as soon as possible. The system has been implemented and the Committee received its first report generated by the Account-Ability system in its October meeting.

In our first report, we recommended that the Board fill unfilled positions in the Facilities group to ensure that it had adequate capacity to effectively manage the bond program. The District has filled several positions, and as of March 31, 2010, the Facilities group included eight (8) full-time employees and had three (3) unfilled positions (an Owner's Representative, a Director of Facilities Administration and a Facilities Procurement Specialist). We urge the Board to determine what the necessary staffing should be and to authorize the hiring to fill these positions.

Project execution

According to information provided to the Committee in the Measure TT Consolidated Expenditure Report (the "Report"), dated March 31, 2010, the District has completed or substantially completed (i.e., at least 98% complete) 27 projects. According to the Report, of the completed projects, 20 have been completed or substantially completed at a cost equal to or less than the amount allocated in the Facilities Master Plan ("FMP") and 7 projects have cost more

than the amount allocated in the FMP (totaling approximately \$362,000 more than budgeted).¹ In total, the completed projects have cost approximately \$968,000 less than allocated in the FMP.

The Committee has not yet received reports or information to enable it to determine whether projects are completed on time. The Committee recommends that the Board ensure that projects' initial due dates and actual completion dates are tracked and reported reliably so that the Board, Committee and Community can evaluate to what extent the District completes bond projects on time.

As of March 31, 2010, the District's ratio of soft to hard costs was 35.1% to 63.5% (with 1.4% of site costs). The District's soft cost target is 25% and the District has explained that the current soft cost percentage is higher than the target as a result of soft-cost intensive activities in the beginning phases of projects. The Committee has requested that the District provide a report showing the soft to hard cost ratio for only completed projects which should correct for this distortion and allow the Committee to evaluate whether the District is meeting its target.

Transparency and accountability

Based on the information that it has been provided, the Committee believes that no bond funds have been allocated for improper types of expenditures and that the District is in compliance with the statutory requirements related to the use of bond funds.

While much progress has been made on developing the proper reporting formats (all of the reports are available at the Measure TT website at www.measurett.org), the Committee is concerned with the usability and accuracy of some of the reports that it has received from the District in connection with the expenditure of bond funds and completion of projects. Some information in reports provided to the Committee has been presented in a manner that is confusing or inconsistent, which has undermined the Committee's ability to understand the reports. An additional concern is whether the Board is regularly receiving and reviewing reports related to the bond program. The Committee believes that it should only receive reports after the Board has been provided the reports and the Board has had the opportunity to ask questions to ensure that the reports are accurate.

Oversight Committee

The Committee members are listed in [Appendix A](#).

As noted in our first report, members of the Committee had previously expressed a lack of clarity regarding the scope of the Committee's responsibility. During its November and January

¹ District staff has explained that some projects which appear to be over budget in the Report may actually not be over budget because they should be considered in connection with other projects and when considered collectively, the projects have come in under budget. In addition, other projects in the Report which appear to have been completed with a surplus, may actually not have a surplus since there are still other components of the project to be completed within the listed budget allocations.

meetings, the Committee discussed this issue and agreed that its scope is to assure the public and the Board that: (1) the bond proceeds are being spent on those projects that are demonstrably needed and identified as such in the FMP, (2) the necessary administrative systems, internal controls and management direction are in place to prevent inefficiencies, improprieties and waste of tax-payer funds and (3) approved construction projects are being brought in on schedule, within the Board approved cost estimates, and without significant cost over-runs. The Committee has agreed that if matters which fall outside of the scope of the Committee's responsibility are brought to its attention by members of the Community, the Committee will forward these matters to the Facilities Sub-Committee or to the Board.

In addition to having the minutes and all materials reviewed by the Committee posted on the Measure TT website (www.measurett.org), the Committee has established an Outreach Sub-Committee, tasked with ensuring that information about the Committee and its meetings is disseminated broadly and with ensuring that community members can easily and effectively provide input to the Committee. Committee members have also volunteered to serve as liaisons to each school in the District and have committed to attend school site council meetings to solicit feedback from the school community on the progress of the Measure TT projects at each of the school sites. To date, Field, Norma Coombs, McKinley, Willard, Madison, Sierra Madre Elementary and Middle schools and Blair High School have each been visited by a Committee member. Notwithstanding these efforts, the Committee feels that it and the District can do more to provide information pertaining to the activities of the Committee and the bond program to a broader segment of the community (e.g., through a monthly email notice or inclusion of certain bond program items in one of the District's existing electronic newsletters).

Appendix A

Oversight Committee members

Gregory Barna

Ed Barnum

Joanna Bauer

Charles Bryant

Carolyn Ellner, Chair, Community Outreach Sub-Committee

George Fatheree, Vice Chair

Jon Fuhrman, Chair

Kenneth Hargreaves

Paul Hunt

Lee Johnson

James Kossler

Joel Sheldon

Rita Turner

Sid Tyler

Augustin Zuniga