GLENDALE UNIFIED SCHOOL DISTRICT
Citizens’ Bond Oversight Committee (CBOC) Meeting
Thursday, January 29, 2015
5:15 p.m.
Administration Building
223 North Jackson Street
Glendale, CA 91206

Room 103

AGENDA

I. Call to Order – Chairperson

II. Roll Call and Establishment of Quorum – Chairperson

• Certificate of Compliance – Chairperson

To accommodate the requirement of Government Code Section 54954.2 and in accordance with the Brown Act provisions, the agenda for the meeting was posted on the bulletin board in the Administration Center 72 hours prior to this meeting.

III. Public Comment

• Any member of the public may directly address the Committee on any item of interest to the public with respect to the Measure S GOB proceeds. The Chairperson will ask if any members of the public wish to address the Committee, and if so, the member of the public shall raise his/her hand and when called upon, give their name and then make their statement. Members of the public will be given up to 3 minutes to address the Committee.

IV. Approval of Meeting Minutes from October 13, 2014

V. Discussion Items – Chairperson

• Audit Report Review
• 3rd Annual Report to the Community

VI. Other Business

VII. Adjourn
GLENDALE UNIFIED SCHOOL DISTRICT

CITIZENS’ BOND OVERSIGHT COMMITTEE
(CBOC)

CBOC Meeting Minutes

October 13, 2014

The meeting of the Citizens’ Bond Oversight Committee was held at 5:00 p.m., at the Facility & Support Operations (Conference Bungalow), at 333 West Magnolia Avenue, Glendale, CA 91204.

Committee Members Present:

Mia Lee  
Robbyn Battles  
David Gevorkyan

Stephen Pierce  
John Sadd

Others Present:

Eva Rae Lueck, Chief Business and Financial Officer
Alan Reising, Administrator, Facilities Planning, Development & Support Operations
Melanie Nazarbekian, Facilities Project Assistant (Provisional), Facilities Planning, Development & Support Operations
Karen Sorrenti-Williams, Substitute Administrative Secretary, Facilities Planning, Development & Support Operations

I.  Call to Order
The meeting was called to order by John Sadd, at 5:15 p.m.

II. Roll Call and Establishment of Quorum
A roll call was taken and a quorum of Committee members was reached. Committee members Armik Avedisian and Rebecca Delfino were absent.

• Certificate of Compliance – John Sadd read the following statement: To accommodate the requirement of Government Code Section 54954.2 and in accordance with the Brown Act provisions, the agenda for the meeting was posted on the bulletin board in the Administration Center 72 hours prior to this meeting.

III. Public Comment
None

IV. Approval of Meeting Minutes of March 17, 2014
Chairperson, John Sadd called for a motion to approve the minutes of March 17, 2014. Committee member, Stephen Pierce moved to approve the minutes and Mia Lee seconded the
VI. Discussion Items

- **Unaudited Year-End Measure S Report**
  The Chairman turned the meeting over to Ms. Eva Lueck to present the Unaudited Year-End Measure S Report. Eva Lueck complimented the Facilities Planning, Development & Support Operations staff that prepared and worked so hard on this comprehensive report.

  Alan Reising informed the Committee that the period covered in the report was for the fiscal year ending June 30, 2014. He proceeded to walk the Committee through several pages of the report. The Measure S Funding Timeline on page 10 was explained. The positive community response to the bond sales was partially credited to Ms. Mary Boger and her efforts to champion the sale. Eva Lueck added that she and Dr. Sheehan met with Realty Groups that were very supportive. Additionally, most newspaper articles indicated no decent to the sale.

  The discussion continued with reference to Page 15 on the Master Program Budget, Status of Funding and Expenditures to date. Anticipated 40.1 Prop 39 estimated funds for the Overcrowding Relief Grant (ORG) Program were pointed out. Eva commented that the Board approval of the ORG’s as referenced on this report stopped at the Design Phase. The report shows 100% complete, however, the Board’s approval for the actual building costs will be reflected on the next quarter update. This will substantially increase the $4,322,173.00 total.

- **Synthetic Turf Report**

  The meeting continued with information regarding the airing of an NBC News Investigative Report. This report questioned the potential health effects of the crumb rubber products used on Synthetic Turf fields. Mr. Reising conveyed that this has caused a concern by a number of parents in our District. This report and the concern it raised will be addressed at the next Board Meeting to be held on October 21, 2014. An information sheet with discussion points related to artificial turf was provided to the committee. Ms. Lueck informed the committee that the District would also be willing to provide talking points on other subjects concerning our parents, such as WiFi and asbestos.

- **Project Updates**

  Alan Reising moved on to a discussion of the upgraded AVID Lab and Robotics Lab at Clark Magnet High School. These upgrades have been an exciting and welcome addition to both students and Administration.

  A request was voiced by the committee to tour the New College View site. The committee was informed that Contractor, Balfour Beatty mandates strict safety standards that require each visitor attend their safety training.

- **KPI Architecture**

  Finally, the committee was informed of the untimely death of Mr. David Kindred, Sr. Architect
and Owner of KPI Architecture. GUSD was informed that KPI Architecture would no longer continue business on the Overcrowding Relief Grant (ORG) Projects. This challenge has resulted in a contract with Architecture 9 with the intention of utilizing the same sub-consultants that KPI used on these projects. Mr. Reising told the committee that a letter was just mailed reaching out to all sub-contractors that KPI used on these projects.

VI. Other Business

Next Meeting in December 2014:
Term Limits

VII. Adjourn

The meeting was adjourned at 6:15 p.m.
GLENDALE UNIFIED SCHOOL DISTRICT

PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE S
PERFORMANCE AUDIT

Fiscal Year Ended June 30, 2014
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INDEPENDENT AUDITOR’S REPORT

Board of Education
Glendale Unified School District
223 N. Jackson Street
Glendale, California 91206

We have conducted a performance audit of the Glendale Unified School District (the “District”), Measure S General Obligation Bond funds for the fiscal year ended June 30, 2014.

We conducted our performance audit in accordance with Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusion based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our audit was limited to the objectives listed on page three of this report which includes determining the District’s compliance with the performance requirements for the Proposition 39 Measure S General Obligation Bonds under certain provisions of Section 1(b)(3)(C) of Article XIII A of the California Constitution and Sections 15264 and 15272 - 15286 of the California Education Code. Management is responsible for the District’s compliance with those requirements.

Solely to assist us in planning and performing our performance audit, we obtained an understanding of the internal control of the District to determine if internal controls were adequate to help ensure the District’s compliance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution and certain provisions of Sections 15264 and 15272 - 15286 of the California Education Code. Accordingly, we do not express any assurance on the internal control.

The results of our tests indicated that for the fiscal year ended June 30, 2014, the District complied, in all significant respects, with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution and certain provisions of Sections 15264 and 15272 - 15286 of the California Education Code.

VICENTI, LLOYD & STUTZMAN LLP
Glendora, California
November 19, 2014

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GLENDALE UNIFIED SCHOOL DISTRICT

PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE S
PERFORMANCE AUDIT
June 30, 2014

BACKGROUND INFORMATION

In November 2000 the voters of the State of California approved Proposition 39 authorizing the issuance of general obligation bonds by California public school districts and community colleges, under certain circumstances and subject to certain conditions. In April 2011, a general obligation bond proposition (Measure S) of the District was approved by the voters of the District. Measure S authorized the District to issue up to $270,000,000 of general obligation bonds to finance various capital projects, and related costs, as specified in the bond measure provisions of Measure S.

Pursuant to the requirements of Proposition 39, and related state legislation, the Board of Education of the District established a Citizens’ Bond Oversight Committee and appointed its members. The principal purpose of the Citizens’ Bond Oversight Committee, as set out in state law, is to inform the public as to the expenditures of the proceeds of the bonds issued pursuant to the Measure S bond authorization. The Citizens’ Bond Oversight Committee is required to issue at least one report annually as to its activities and findings.

Section 1(b)(3)(C) of Article XIII A of the California Constitution requires the District to conduct an annual independent performance audit to ensure that the proceeds of the bonds deposited into the Measure S bond funds have been expended only for the authorized bond projects. Consistent with this provision, Section 15286 of the California Education Code requires the performance audit to be conducted in accordance with Government Auditing Standards issued by the Comptroller General of the United States and be submitted to the Citizens’ Bond Oversight Committee by March 31st of each year.
OBJECTIVES

The objectives of our Performance Audit were to:

- Determine whether expenditures charged against Measure S funds have been made in accordance with the bond project list approved by the voters through the approval of Measure S in April 2011.

- Note incongruities, system weaknesses, or non-compliance with specific Education Code sections related to bond oversight and provide recommendations for improvement.

- Provide the Governing Board and the Citizens' Bond Oversight Committee with a performance audit as required under the requirements of the California Constitution and Proposition 39.

SCOPE OF THE AUDIT

The scope of our performance audit covered the fiscal period from July 1, 2013 to June 30, 2014. The sample of expenditures tested were selected from object and project codes associated with the bond projects. The propriety of expenditures for capital projects and maintenance projects funded through other state or local funding sources, other than the proceeds of the bonds, were not included within the scope of our audit. Expenditures incurred subsequent to June 30, 2014, were not reviewed or included within the scope of our audit or in this report.
PROCEDURES PERFORMED

We obtained the general ledger and the project expenditure reports prepared by the District for fiscal year ended June 30, 2014 for the Measure S. Within the fiscal year audited, we obtained the actual invoices and other supporting documentation for expenditures to ensure compliance with the requirements of Proposition 39 and Measure S with regards to the approved bond projects list. We performed the following procedures:

- We reviewed the projects listed to be funded with general obligation bond proceeds as set out in the Measure S election documents.

- We selected a sample of expenditures for the fiscal year ended June 30, 2014, and reviewed supporting documentation to ensure that such funds were properly expended on the authorized bond projects. Our sample included 56 transactions totaling $12,786,215. This represents 56% of total expenditures of $22,941,959.

- We verified on a sample basis that Measure S funds were expended for the construction, reconstruction, acquisition, furnishing and equipping of District facilities constituting the authorized bond projects. In addition, we verified that funds held in the Measure S were used for salaries only for work that would not exist but for the existence of the construction projects as allowable per Opinion 04-110 issued on November 9, 2004 by the State of California Attorney General.

We reviewed documentation, including the District’s website, to verify compliance with certain bond oversight requirements of the California Education Code, including the membership makeup of the Citizens’ Bond Oversight Committee, publication of committee proceedings, and the issuance of an annual report to the public.
CONCLUSION

The results of our tests indicated that, in all significant respects, the District has properly accounted for the expenditures made from Measure S funds and that such expenditures were made for authorized bond projects. Further, it was noted that the funds held in the Measure S and expended by the District, were used for salaries only for work that would not exist but for the existence of the construction projects as allowable per Opinion 04-110 issued on November 9, 2004 by the State of California Attorney General.

In addition, the results of our test indicated that, in all significant respects, the District complied with the applicable California Education Code requirement for which the purpose of a Citizens’ Bond Oversight Committee is established.
GLENDALE UNIFIED SCHOOL DISTRICT

PROPOSITION 39 GENERAL OBLIGATION BONDS
MEASURE S
PERFORMANCE AUDIT

SCHEDULE OF FINDINGS AND RESPONSES
June 30, 2014

There were no findings related to the performance audit for the fiscal year ended June 30, 2014. In addition, there were no findings related to the performance audit for the fiscal year ended June 30, 2013.
Glendale Unified School District
Citizens’ Bond Oversight Committee
3rd Annual Report to the Community
2013-2014
February 2015

2013/14 CBOC Members
Armin Avedisian
Robbyn Battles
Rebecca Delfino
David Gevorkyan
Mia Lee
Stephen Pierce
John Sadd

Mission Statement
Adopted - October 24, 2011
The Committee shall actively review and inform the public about the expenditures of the Bond proceeds to ensure that the spending decisions made by elected officials conform to Measure S and comply with the governing provisions of the Education Code and the California Constitution.
(Complete Mission Statement Available on www.gusd.net)

You’re Invited!
The Community is invited to attend the CBOC’s quarterly meetings. For meeting time, date, and location, please go to www.gusd.net/Page/277

Highlights

Keppel ORG 2-Story Building - The Keppel Elementary School Overcrowding Relief Grant Project was recognized as “School of the Month” (October 2014) by the State Allocations Board. This project consisted of the removal of 14 old deteriorated portable classroom buildings and construction of a new permanent 14-classroom building and new arts classroom building.

New College View School—A “topping out” celebration took place at the New College View School on December 10, 2014. This celebration takes place when the structural steel comes to a completion and the building is ready for decking and wire mesh to be put in place for the concrete floors and roofs. Installation of exterior wall will follow along with interior wall.

The new building will feature 37,846 square feet of special education classrooms with an additional 14,184 square feet on the second floor to house other programs. Anticipated Completion: June 2015.

2014 Completed Projects
- Hoover Field Phase III
- Glendale High HVAC
- Hoover Special Day Class (SDC)
- Summer Projects 2014
- Solar Projects at Glendale High School, Rosemont Middle School, Balboa, Fremont and Marshall Elementary Schools

Keppel ORG 2-Story Building

New College View School
Status of Funding & Expenditures to Date

The first Measure S bond issuance of $54 million plus other funding totals nearly $105 million and represents 32% of the overall current anticipated funding of $325,420,926. Total expenditures reported through June 30, 2014 represent 65.6% of currently available funding. The pie charts below indicate utilization of total available funding, funding sources, and project budgets by project type.

Funding Sources & Budgets

Measure S bonds are Proposition 39 bonds issued by GUSD. The passage of Proposition 39 in November 2000 amended the California Constitution to include accountability provisions. Specifically, the District must conduct an annual independent performance audit to ensure that funds have been expended only on specific projects listed as well as an annual, independent financial audit of the proceeds from the sale of the bonds until all of the proceeds have been expended. Vicenti, Lloyd & Stutzman, LLP, Certified Public Accountants, conducted an independent audit of the financial statements for the fiscal year ending June 30, 2014. In their opinion, the financial statement presents fairly, in all material respects, the financial position of the Measure S bond and the results of its operations. The Performance Audit indicates that the proceeds of the sale of Measure S funds were only used for the purposes set forth in the ballot measures and not for any other purposes. — Reports can be reviewed at www.gusd.net/page/607
Projects in Motion

OVERCROWDING RELIEF GRANT (ORG) PROJECTS - PHASE 1: On November 4, 2014, the Board approved a contract for the Phase 1 ORG projects at Balboa (June 2015) RD White (Fall 2015) and Verdugo Woodlands (Spring 2016) Elementary Schools. These projects are funded with a 50% State ORG grant and Measure S funds.

SAFETY & SECURITY - In an effort to ensure the safety & security of students and staff, the District has started construction of various security improvements at several schools. This program will be affecting every school in the GUSD and will be installing such items as secure entries, CCTV cameras, and other improvements depending on the need of each site. Secure entries have been completed at all of the Elementary sites. CCTV cameras have been installed at Roosevelt and the Administration Building. Staff is currently working on the installation of CCTV cameras at Clark Magnet, Hoover High & Toll Middle Schools.

TECHNOLOGY - The GUSD is building a new Network Operations Center (NOC) to improved the technology systems for students and faculty. The Board approved technology upgrades such as the new NOC, cabling, fiber, wireless, and other infrastructure technology upgrades

NETWORK OPERATIONS CENTER (NOC) - The construction of the NOC and ETIS offices is underway and is anticipated to be complete by April 2015.

Upcoming Projects

FRANKLIN ELEMENTARY NEW CLASSROOM BUILDING: Project consist of a new 2-story classroom building with solar to replace portable building. The school community actively pursued a school greening grant to complement the project. June 2014, the Benjamin Franklin Elementary Foundation (BFEF) was awarded a highly competitive $1M grant provided by Proposition 84’s Urban Greening for Sustainable Communities Program. Late October 2014, staff was informed the design and construction documents for the Franklin new building were approved by the Division of State Architects (DSA). Anticipate construction to begin March 2015.
Crescenta Valley High School Science Labs - On November 19, 2013, the Board approved the schematic Design for 13 labs and 5 prep rooms in the 2000 building, 1 lab receiving minor modernization in the 8000 building. This project includes interim housing and modernization of a SPED classroom. The plans are pending Division of State Architects (DSA) approval.

Glendale HVAC Control System - DSA plan approval was received on September 3, 2013. Project was carried out in three (3) phases. Phase 1 was for the replacement of the HVAC units that serve the kitchen food preparation area. Phase 2 included the replacement of HVAC units in the cosmetology classrooms, student eating area, and cafeteria serving area (3000 Building). Phase 3 consisted of the replacement of 30 existing HVAC units in the 2000 building and began in May 2014. Major work was complete for the start of school in August 2014. This project was completed satisfactorily on December 19, 2014.

Hoover HVAC Control System - This project is for the replacement of deteriorated HVAC units in the 1000, 2000, 3000, & 10000 buildings. Staff has identified equipment that will qualify for reimbursement under Proposition 39 funding. Once the scope has been refined, plans and specifications will be submitted to the Division of State Architects (DSA) for approval. Anticipated Completion: June 2015.

District-Wide Aquatic Center - District staff has been working with GUSD Aquatic Coaches to finalize the design details of the new District-Wide Aquatic Center. The District is also exploring feasibility of installing renewable energy with this project. This project is currently in design.

Summer Projects 2014

Balboa - Playground and Landscaping; Cerritos - Playground; Clark - Upgrade Fire Alarm System and Paving; Cloud - Plumbing; Dunsmore - Paving and Painting; Franklin - Upgrade Fire Alarm System; Glendale High School - Upgrade Fire Alarm System; Glenoaks - Upgrade Fire Alarm System; Hoover High School - Refinish Gym Floor; La Crescenta - Upgrade Fire Alarm System; Lincoln - Electrical and Playground; Mann - Electrical; Marshall - Plumbing; Mountain - Playground; Monte Vista - Playground; RD White - Window Replacement and Playground; Roosevelt - Flooring; Rosemont - Paving; Verdugo Woodlands - Upgrade Fire Alarm System; Wilson - Electrical, Painting and Carpentry