

CaLBOC CALIFORNIA LEAGUE OF BOND OVERSIGHT COMMITTEES

REVIEW

HELPING SCHOOL BOND OVERSIGHT COMMITTEES SERVE THEIR COMMUNITIES

www.CaLBOC.net

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Attorney: Alum Rock Manager Sought Secret Deal on Construction Bids

Oct. 15, 2017 | By Sharon Noguchi | www.mercurynews.com

EXCERPT: SAN JOSE - Alum Rock schools' facilities director made a side deal with a construction company for a middle school renovation that would have cost taxpayers an extra \$2.5 million and netted extra revenue for the firm and for the district's controversial bond construction manager, Del Terra Real Estate, the school district's attorney alleged in a confidential report obtained by this newspaper. ...

Attorney Ruiz's memo points out several problematic issues: a mid-level manager appeared to be engaging in side deals unbeknownst to and unauthorized by top administrators. The alleged deal called for Alum Rock to award the Mathson MACSA contract to the second-lowest bidder, which was \$2.4 million more than the CTG bid. In doing so, Del Terra, which reaps 6 percent of every contract, would have netted \$145,000 more as construction manager.

The purported deal also called for allowing CTG to tack on unspecified extra work, and charge the district \$200,000 for it - a sum that Ruiz pointed out would exceed the percentage allowed for add-ons to contracts.

"I can't imagine a scenario where a director of facilities could unilaterally make decisions of that magnitude," said Jon Gundry, Santa Clara County superintendent of schools. ...

Given the events, Ruiz wrote, "we strongly recommend that the district review all past and ongoing communications between district staff and program manager (Rojas) and CTG and BRCO" about purported agreements.

So far, the board has not moved to do so.

To read complete article, please visit:

<http://www.mercurynews.com/2017/10/15/attorney-alum-rock-manager-sought-secret-deal-on-construction-bids>

San Ysidro School District Has Spent \$480K to Recover \$291K From Ex-Superintendent

Oct. 16, 2017 | By Yutao Chen | www.voiceofsandiego.org

EXCERPT: San Ysidro School District is still trying to recover more than \$291,000 from disgraced former superintendent Manuel Paul, and has racked up far more than that in legal bills trying to make it happen.

The district has paid Long Beach law firm Leal-Trejo \$480,000 as part of the lawsuit against Paul, filed in February 2015, according to figures provided to Voice of San Diego in response to a Public Records Act request.

Paul received \$211,000 in severance pay when he resigned in 2013, after being indicted in a South County schools corruption case for failing to report contractor gifts. The district is going after Paul to get the payout back, as well as \$80,000 in leave pay, other damages and attorney fees. If all goes well for the district, Paul will be the one paying the fees incurred. ...

That law took effect in January 2012 and calls for all public agency employment agreements to require the return of all cash settlements and paid leave salary "if the employee is convicted of a crime involving an abuse of his or her office or position." Paul's final contract did not include the language required by the law, nor did his June 13, 2013, retirement agreement terminating his employment.

Paul's exit deal was negotiated by San Diego attorney Dan Shinoff, who settled a malpractice lawsuit filed by the San Ysidro district for an unrelated grievance back in 2015 for \$1.8 million. ...

After resigning, Paul went on to plead guilty to a misdemeanor charge in state court, and later a misdemeanor charge in federal court for soliciting campaign cash from a contractor seeking to do work with the school district. He spent two months in prison and paid a \$5,000 fine in the federal case, and was fined and did community service in the state case.

Since the guilty pleas were for misdemeanors and not felonies, Paul's annual \$173,526 pension remains intact. ...

The district's \$250 million school bond program was also blasted by the County Grand Jury in 2016 for reportedly misspending money, double-paying vendors and fulfilling few promises made to voters in 1997.

To read complete article, please visit:

www.voiceofsandiego.org/topics/education/san-ysidro-school-district-has-spent-480k-trying-to-recover-291k-from-ex-superintendent

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Annual CaLBOC Board of Directors Business Meeting

Nov. 20, 2017 In Sacramento Agenda includes:
- Adopting Business Plan

Mission Statement

To promote school district accountability by improving the training and resources available to California's Proposition 39 School Bond Oversight Committees and educating the state legislature, local school boards and the public about the oversight and reporting powers these Citizens' Bond Oversight Committees (CBOCs) have, and to advocate on a state level, where appropriate, on issues of common concern to all CBOCs.

2017 6th Annual CaLBOC Conference

Bond Oversight Basics Presentations and Handouts:

www.calboc.com/2017-conference.html

Archived Newsletters

To view all with topics visit: calboc.com/newsletters-1.html

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- Bond Legislation Update
- Watchdog Blasts Pasadena Unified

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- PVUSD Pushes Against Grand Jury Report
- Gov. Brown Vetoes SB 341, CBOC Member Terms
- Court Sides With District Employee Who Balked at Order to Purge Emails

[ISSUE 114 - July 11, 2017](#)

- State Puts Fiscal Oversight over Alum Rock Schools
- State Superintendent Political Ties with Alum Rock Contractor

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- Mello Roos Property Tax Lacks Oversight
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- School Bond Watchdogs

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- Conference Agenda

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- Alum Rock, Non-existent Construction?

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Conference Keynote Speaker

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- Little Hoover Commission Report Flaws in Oversight

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