



SOLANO COUNTY GRAND JURY
2015 - 2016

Benicia Measure S
CBOC Measuring Up?

Measure S

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I. SUMMARY

Pursuant to receiving a complaint, the 2015-2016 Solano County Grand Jury elected to investigate the functionality and effectiveness of Benicia's Measure S Citizen's Bond Oversight Committee (CBOC). The complaint stated that Measure S meeting information regarding bond spending was not disseminated to the general public. It also stated that one member of the CBOC did not attend the meetings.

II. INTRODUCTION/BACKGROUND

On June 3, 2014 Benicia passed Measure S, a \$49.6 million general obligation bond (GOB) for the Benicia Unified School District (BUSD) by 63.49% of voters. Per Proposition 39 (Article XIII A (3) (b) of the California Constitution), the percentage of voters needed to pass a GOB is reduced from 66.7% to 55.0%. Proposition 39 authorizes bonds for repair, construction or replacement of school facilities and classrooms. One of the requirements of Proposition 39 is an oversight committee must be created to ensure accountability during the lifetime of Measure S. Per Education Code Section 15278-15282, the group of Benicia citizens comprising the CBOC must include a representative of the following:

- Bona fide taxpayer organization
- Business organization within the community
- Senior citizen organization
- Parent or guardian of a child enrolled in the district
- Parent or guardian of a child enrolled in the district and active in a parent-teacher organization
- Additional members may be selected at large from the general community

The CBOC must consist of a minimum of seven (7) members, none of which may be an employee of, vendor of, contractor to or consultant of the district.

The Education Code also states the purpose of the CBOC is to inform the public concerning the expenditure of bond revenues, actively review and report on the proper use of taxpayers' money for school construction and advise the public as to whether the school district is in compliance with Article XIII A (3) (b) of the California Constitution. The committee is required to ensure that bond revenues are expended only for the purposes stated in the aforementioned section of the Constitution and also that no bond funds are used for any teacher or administrative salaries or other school operating expenses.

III. METHODOLOGY

Documents Reviewed:

- Proposition 39 (Article XIII A of the California Constitution)
- Education Code Section 15278-15282
- Advertisements soliciting members for the Measure S CBOC
- 2014 Applications for the CBOC
- Measure S CBOC Bylaws
- BUSD School Board minutes 8/21/14 and 10/16/14
- California League of Bond Oversight Committees (CalBOC) *Best Practices Operations Standards*
- Memorandum explaining the functions which the CBOC is required to perform to discharge its statutory duties
- BUSD Facility Conditions Assessment 2013
- BUSD Strategic Plan 2012-2015
- BUSD Local Control and Accountability Plan and Annual Update Template 2013-2014
- BUSD Facility 5-Year Assessment Report November 1, 2013
- BUSD CBOC Agenda and Minutes of 12/9/14, 3/24/15, 6/9/15, 10/6/15, 1/12/16 and 4/12/16

Interviewed

- Members of Measure S Citizens Bond Oversight Committee
- Members of BUSD Board of Trustees
- Members of BUSD Administration
- Member of the BUSD Bond Team

IV. STATEMENT OF FACTS

On the issue of the original complaint regarding the dissemination of information to the general public, the Grand Jury was easily able to access information from the Measure S pages on the BUSD web site. As an example, the agenda, minutes and project expenditure data of the 4/12/16 CBOC meeting were posted on the next day, 4/13/16. However, at the time of writing this report, other avenues to gather information were scarce. The latest Benicia Herald article related to Measure S bond expenditures was on 12/24/14. More recent was a Vallejo Times-Herald article on the costs to renovate the Benicia High School track and fields dated 10/12/15. The Grand Jury could not determine if the paucity of newspaper articles was due to the newspapers or to the school district's lack of press releases.

Regarding the second aspect of the complaint that one member had not attended successive meetings, we found that to be true but already addressed. One of the original seven CBOC members was unable to attend the first three meetings and because of that voluntarily resigned

the position. A replacement member was selected by the BUSD Governing Board on 10/1/15 and this resolved the issue.

As part of their due diligence, the BUSD Governing Board brought in an attorney to explain “the functions which the CBOC is required to discharge its statutory duties”. A core responsibility of a CBOC is to question the viability and appropriateness of projects, perform site visits and review expenditures. The California League of Bond Oversight Committees (CalBOC) publishes a *Best Practices Operations Standards* and provides training for CBOC members to perform their duties.

A CBOC member decided on their own to get further training at the CalBOC seminar in Sacramento on May 19, 2015 at their own expense. The information was then conveyed to fellow CBOC members at the June 9, 2015 Measure S CBOC meeting.

At the time of the bond election on June 3, 2014, the BUSD had a Facility Conditions Assessment 2013, a Strategic Plan 2012-2015 and a Facility 5-Year Assessment Report November 1, 2013. The aforementioned three reports form the list of specific school facilities to be funded which is a requirement of bond passage using Proposition 39 under section 1 (b) (3) (B). The BUSD has also recently finalized the Facilities Master Plan (FMP). “The Plan is not only designed to assess and meet the District’s current and future facility needs. It also provides a financing plan that deliver resources in an efficient manner to ensure its successful implementation, and establish a framework and foundation for future facilities improvements.”

V. FINDINGS AND RECOMMENDATIONS

Finding 1

Information was readily available at the Benicia Unified School District (BUSD) Measure S Web site but was lacking in published articles.

Recommendation 1

BUSD should continue to post Citizen Bond Oversight Committee (CBOC) agenda, minutes and project data. To get broader dissemination of information consider using other media at the start, interim and completion of Measure S projects to facilitate greater transparency. Although not required by law, articles on the status of projects and expenditures would be to the public’s interest and benefit.

Finding 2

CBOC training is available at the annual California League of Bond Oversight Committees (CalBOC) Seminar (next seminar is May 31, 2016 in Sacramento) and the fee is nominal.

Recommendation 2

The BUSD Governing Board consider paying the nominal fee for Measure S CBOC members to attend a CalBOC seminar for further training.

Finding 3

The Measure S Meeting Minutes reflect that this CBOC is readily questioning viability, appropriateness of projects and conducting site visits.

Recommendation 3

Continue to monitor projects and expenditures.

Finding 4

Although not strictly a legal requirement, the BUSD did not have a Facilities Master Plan at the time of the vote for Measure S.

Recommendation 4

The BUSD is to be commended for completing the Facilities Master Plan and for making it available for public review.

COMMENTS

Considering this is their first experience with a bond measure, the BUSD Governing Board is making a notable effort.

It appears the Governing Board, the BUSD Superintendent and the CBOC are working well together.

The CBOC is doing a good job questioning the Bond Team on expenditures. They take this volunteer position seriously.

REQUIRED RESPONSES

Benicia Unified School District Governing Board

COURTESY COPIES

BUSD School Board Chairperson
CBOC Chairperson
BUSD Superintendent