
**ANNUAL REPORT OF THE MEASURE I
INDEPENDENT CITIZENS' BOND
OVERSIGHT COMMITTEE
Fiscal Year Ending June 30, 2015**



**Presented to the Board of Education
January 19, 2016**

Committee Members

Marshall Denninger, Parent/PTA representative and Committee Chairperson

Gail Ginell, Community At-Large representative

Tony Gitt, Senior Citizens' Organization representative

Wendy Goldstein, Parent representative

Bill Gorback, Community At-Large representative and Committee Vice-Chairperson

Charles Lech, Business Organization representative

Jere Robings, Taxpayers' Association representative

District Support Staff

Ann Bonitatibus, Ed.D., Superintendent

Jon Sand, Ed.D., Assistant Superintendent and Senior Staff Liaison

Mike Buckley, Director, Maintenance and Operations

David Fateh, Director, Planning and Facilities

Jerome Staszewski, Director, Technology Services

Debbie Montgomery, Administrative Assistant

**Annual Report of the Measure I
Independent Citizens' Bond Oversight Committee**

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INTRODUCTION

Executive Summary
Measure I Citizens' Bond Oversight Committee Annual Report
January 19, 2016
For the Fiscal Year Ended June 30, 2015

The Measure I Citizens' Oversight Committee respectfully submits its first annual report to the Board of Education of the Conejo Valley Unified School District for the fiscal year ended June 30, 2015. The initial bond issuance, Series A occurred in June 2015. Of the \$37,200,000 Series, funds were deposited in the County of Ventura Treasury and allocated as \$26,000,000 for Bricks and Mortar, plus technology infrastructure, and \$11,200,000 for the Technology Endowment.

The Citizens' Bond Oversight Committee was established by Board of Education in March and April 2015. Per the Committee Bylaws pursuant to Proposition 39 and Education Code 15278 to:

- Inform the public concerning the District's expenditures of Measure I proceeds
- Review expenditure reports produced by the District to ensure that Measure I bond proceeds were expended only for the purposes set forth in Measure I, and
- Present to the Board in public session, an annual written report outlining their activities and conclusions regarding the expenditures of Measure I bond proceeds.

This annual report covers documented activities for the initial year of Bond issuance which principally occurred in June 2015. This report includes documents, official Bylaws, Board authorizations, committee minutes, fiscal reports by school site, and the official audit by the firm, Vavrinek, Trine, and Day (VTD).

The Committee hereby reports that it has met all of the requirements set forth in Proposition 39 and the California Constitution, Article 13A, Section 1(b)(3). All meetings were held in accordance with the Ralph M. Brown Act, Government Code Section 54950 et seq.

The Conejo Valley Unified School District's Measure I Citizens' Bond Oversight Committee affirms that all 2014-15 expenditures were expended only for the purposes set forth in Measure I. The District met all compliance requirements with the required official audit included in this report. No bond proceeds were used for teacher or administrative salaries or other operating expenses.



CVUSD

CONEJO VALLEY UNIFIED SCHOOL DISTRICT

Conejo Valley Unified School District

Brief Overview of Measure I (Election of 2014)

August 19, 2015

Measure I Ballot Language

Measure I: *“To upgrade/maintain Conejo Valley schools with funding that cannot be taken by the State, shall Conejo Valley Unified School District upgrade all science/career training labs, update/maintain classroom technology and network infrastructure, provide safe, well maintained classrooms, repair/replace electrical, plumbing/roofing, repair, construct, acquire/equip sites/facilities, and improve school safety/security by issuing \$197 million in bonds, at legal rates, with citizens' oversight, annual audits, no money for administrators, and without increasing current tax rates?”*

Excerpts from Tax Rate Statement

1. The best estimate from official sources of the tax rate which would be required to be levied to fund principal and interest payments during the first fiscal year after the first sale of bonds (Fiscal Year 2019-2020), based on assessed valuations available at the time of the election and taking into account estimated future growth, is the following:

\$.032700 per \$100 of assessed valuation, which equates to \$32.70 per \$100,000 and would result in no increase above the tax rate already levied for the District's existing bonds in fiscal year 2013-2014.

2. The best estimate from official sources of the tax rate which would be required to be levied to fund principal and interest payments during the first fiscal year after the last sale of bonds and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election and taking into account estimated future growth, is as follows:

\$.032700 per \$100 of assessed valuation, which equates to \$32.70 per \$100,000 and would result in no increase above the tax rate already levied for the District's existing bonds in fiscal year 2013-2014.

First fiscal year after last sale of bonds: 2024-2025.

3. The best estimate from official sources of the highest tax rate which would be required to be levied to fund principal and interest payments on the bonds and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election and taking into account estimated future growth, is as follows:

\$.032700 per \$100 of assessed valuation, which equates to \$32.70 per \$100,000 and would result in no increase above the tax rate already levied for the District's existing bonds in fiscal year 2013-2014.

Summary of Measure I General Obligation Bond Program

Measure I (Election of 2014)

1. Approved by Voters on November 4, 2014
2. Passage Rate: 65.9%
3. \$197,000,000 Bond Program Size
4. Series A Bonds: \$37,199,279 Issued on June 25, 2015
5. Remaining Voter-Approved Bond Authorization: \$159,800,721
6. Fiscal Year 2015-16 Tax Rate of \$0.00 Per \$100,000 of Assessed Valuation

Original Measure I Bond Plan As Presented to the Voters

Conejo Valley Unified School District November 2014 General Obligation Bond Program What's Possible Assuming A \$32.70 Tax Rate Per \$100,000 of Assessed Valuation 3-Year Issuance Schedule				
	Brick & Mortar Facilities	Up-Front Technology Improvements	Technology Endowment	2014 Election Total
Issuance Summary				
1st Bond Issuance (2015)	\$20,000,000	\$6,000,000	\$11,200,000	\$37,200,000
2nd Bond Issuance (2018)	\$30,000,000	-	\$13,300,000	\$43,300,000
3rd Bond Issuance (2021)	\$40,000,000	-	\$12,500,000	\$52,500,000
4th Bond Issuance (2024)	\$50,000,000	-	\$14,000,000	\$64,000,000
Total Bond Issuances	\$140,000,000	\$6,000,000	\$51,000,000	\$197,000,000
Total Bond Repayment	\$242,349,158	\$8,979,206	\$78,898,635	\$330,227,000
Payback Ratio	1.73	1.50	1.55	1.68
Maximum Term of Each Individual Bond Issue	15 Years	15 Years	15 Years	15 Years
Average Projected Tax Rate (Per \$100,000 Assessed Value)				
FY 2019-20 and After	\$24.89	\$0.89	\$6.92	\$32.70
Assumed Assessed Valuation Growth				
Fiscal Year 2014-15	5.65% (Actual)	5.65% (Actual)	5.65% (Actual)	5.65% (Actual)
Fiscal Year 2015-16 and After	4.00% (Projected)	4.00% (Projected)	4.00% (Projected)	4.00% (Projected)

	Current Interest Bonds	Capital Appreciation Bonds	Total
1st Bond Issuance (2015)	0.00%	100.00%	100.00%
2nd Bond Issuance (2018)	83.79%	16.21%	100.00%
3rd Bond Issuance (2021)	98.44%	1.56%	100.00%
4th Bond Issuance (2024)	56.48%	43.52%	100.00%
Total	63.02%	36.98%	100.00%

Series A General Obligation Bond Issuance

Conejo Valley Unified School District

Election of 2014 General Obligation Bonds

Series A

	Series A (June 25, 2015)
Principal Amount	\$37,199,279
Original Issue Premium	\$580,762
Total Sources of Bond Proceeds	\$37,780,041
Building Fund	\$37,199,279
Bond Insurance	\$138,062
Costs of Issuance	\$442,700
Total Uses of Bond Proceeds	\$37,780,041

Original Projected Tax Rates For Measure I Bond Program – Before Series A Bond Issuance

	1	2	3	4	5	6	7	8	9	10	11
			\$37,200,000		\$43,300,000		\$52,500,000		\$64,000,000		Overall
			2015	Projected	2018	Projected	2021	Projected	2024	Projected	Projected
Fiscal Year	Total	Projected	Series A	Tax Rate	Series B	Tax Rate	Series C	Tax Rate	Series D	Tax Rate	Tax Rate
	Assessed Value	AV Growth	Debt Service	Per \$100k	Debt Service	Per \$100k	Debt Service	Per \$100k	Debt Service	Per \$100k	Per \$100k
2011 - 2012	\$25,473,889,936	-0.16%									
2012 - 2013	\$25,624,481,696	0.59%									\$0.00
2013 - 2014	\$26,500,011,181	3.42%									\$0.00
2014 - 2015	\$27,997,991,789	5.65%									\$0.00
2015 - 2016	\$29,117,911,461	4.00%	\$0	\$0.00							\$0.00
2016 - 2017	\$30,282,627,919	4.00%	\$0	\$0.00							\$0.00
2017 - 2018	\$31,493,933,036	4.00%	\$0	\$0.00							\$0.00
2018 - 2019	\$32,753,690,357	4.00%	\$0	\$0.00	\$0	\$0.00					\$0.00
2019 - 2020	\$34,063,837,971	4.00%	\$5,250,000	\$15.41	\$5,883,250	\$17.27					\$32.68
2020 - 2021	\$35,426,391,490	4.00%	\$5,465,000	\$15.43	\$6,105,900	\$17.24					\$32.66
2021 - 2022	\$36,843,447,150	4.00%	\$5,195,000	\$14.10	\$3,331,350	\$9.04	\$3,490,950	\$9.48			\$32.62
2022 - 2023	\$38,317,185,036	4.00%	\$5,390,000	\$14.07	\$3,449,700	\$9.00	\$3,669,900	\$9.58			\$32.65
2023 - 2024	\$39,849,872,437	4.00%	\$5,595,000	\$14.04	\$3,578,450	\$8.98	\$3,831,550	\$9.61			\$32.63
2024 - 2025	\$41,443,867,335	4.00%	\$5,400,000	\$13.03	\$3,461,500	\$8.35	\$2,675,550	\$6.46	\$1,975,400	\$4.77	\$32.60
2025 - 2026	\$43,101,622,028	4.00%	\$5,605,000	\$13.00	\$3,591,100	\$8.33	\$2,776,800	\$6.44	\$2,101,400	\$4.88	\$32.65
2026 - 2027	\$44,825,686,909	4.00%	\$5,825,000	\$12.99	\$3,723,950	\$8.31	\$2,875,050	\$6.41	\$2,205,400	\$4.92	\$32.64
2027 - 2028	\$46,618,714,386	4.00%	\$6,050,000	\$12.98	\$3,864,150	\$8.29	\$2,980,300	\$6.39	\$2,306,900	\$4.95	\$32.61
2028 - 2029	\$48,483,462,961	4.00%	\$6,275,000	\$12.94	\$4,010,600	\$8.27	\$3,087,300	\$6.37	\$2,475,900	\$5.11	\$32.69
2029 - 2030	\$50,422,801,480	4.00%	\$6,520,000	\$12.93	\$4,157,050	\$8.24	\$3,205,800	\$6.36	\$2,597,150	\$5.15	\$32.68
2030 - 2031	\$52,439,713,539	4.00%			\$7,420,350	\$14.15	\$5,765,300	\$10.99	\$3,955,400	\$7.54	\$32.69
2031 - 2032	\$54,537,302,080	4.00%			\$7,710,150	\$14.14	\$5,995,250	\$10.99	\$4,105,650	\$7.53	\$32.66
2032 - 2033	\$56,718,794,164	4.00%			\$8,015,600	\$14.13	\$6,232,750	\$10.99	\$4,284,400	\$7.55	\$32.67
2033 - 2034	\$58,987,545,930	4.00%					\$11,627,450	\$19.71	\$7,632,650	\$12.94	\$32.65
2034 - 2035	\$61,347,047,767	4.00%					\$12,087,450	\$19.70	\$7,933,400	\$12.93	\$32.64
2035 - 2036	\$63,800,929,678	4.00%					\$12,565,750	\$19.70	\$8,247,900	\$12.93	\$32.62
2036 - 2037	\$66,352,966,865	4.00%							\$21,355,400	\$32.18	\$32.18
2037 - 2038	\$69,007,085,540	4.00%							\$22,210,650	\$32.19	\$32.19
2038 - 2039	\$71,767,368,961	4.00%							\$23,099,150	\$32.19	\$32.19
Total Debt Service			\$62,570,000		\$68,303,100		\$82,867,150		\$116,486,750		\$330,227,000
Repayment Ratio			1.68		1.58		1.58		1.82		1.68

Current Projected Tax Rates For Measure I Bond Program – **After** Series A Bond Issuance

	1	2	3	4	5	6	7	8	9	10	11
			\$37,199,279		\$43,300,000		\$52,500,000		\$64,000,000		Overall
Fiscal Year	Total Assessed Value	Projected AV Growth	2015 Series A Debt Service	Projected Tax Rate Per \$100k	2018 Series B Debt Service	Projected Tax Rate Per \$100k	2021 Series C Debt Service	Projected Tax Rate Per \$100k	2024 Series D Debt Service	Projected Tax Rate Per \$100k	Projected Tax Rate Per \$100k
2011 - 2012	\$25,473,889,936	-0.16%									
2012 - 2013	\$25,624,481,696	0.59%									\$0.00
2013 - 2014	\$26,500,011,181	3.42%									\$0.00
2014 - 2015	\$27,997,991,789	5.65%									\$0.00
2015 - 2016	\$29,137,598,004	4.07%	\$0	\$0.00							\$0.00
2016 - 2017	\$30,303,101,924	4.00%	\$0	\$0.00							\$0.00
2017 - 2018	\$31,515,226,001	4.00%	\$0	\$0.00							\$0.00
2018 - 2019	\$32,775,835,041	4.00%	\$0	\$0.00	\$0	\$0.00					\$0.00
2019 - 2020	\$34,086,868,443	4.00%	\$4,550,000	\$13.35	\$5,883,250	\$17.26					\$30.61
2020 - 2021	\$35,450,343,181	4.00%	\$4,735,000	\$13.36	\$6,105,900	\$17.22					\$30.58
2021 - 2022	\$36,868,356,908	4.00%	\$4,590,000	\$12.45	\$3,331,350	\$9.04	\$3,490,950	\$9.47			\$30.95
2022 - 2023	\$38,343,091,184	4.00%	\$4,775,000	\$12.45	\$3,449,700	\$9.00	\$3,669,900	\$9.57			\$31.02
2023 - 2024	\$39,876,814,831	4.00%	\$4,965,000	\$12.45	\$3,578,450	\$8.97	\$3,831,550	\$9.61			\$31.03
2024 - 2025	\$41,471,887,425	4.00%	\$4,830,000	\$11.65	\$3,461,500	\$8.35	\$2,675,550	\$6.45	\$1,975,400	\$4.76	\$31.21
2025 - 2026	\$43,130,762,922	4.00%	\$5,025,000	\$11.65	\$3,591,100	\$8.33	\$2,776,800	\$6.44	\$2,101,400	\$4.87	\$31.29
2026 - 2027	\$44,855,993,439	4.00%	\$5,230,000	\$11.66	\$3,723,950	\$8.30	\$2,875,050	\$6.41	\$2,205,400	\$4.92	\$31.29
2027 - 2028	\$46,650,233,176	4.00%	\$5,440,000	\$11.66	\$3,864,150	\$8.28	\$2,980,300	\$6.39	\$2,306,900	\$4.95	\$31.28
2028 - 2029	\$48,516,242,503	4.00%	\$5,650,000	\$11.65	\$4,010,600	\$8.27	\$3,087,300	\$6.36	\$2,475,900	\$5.10	\$31.38
2029 - 2030	\$50,456,892,203	4.00%	\$5,880,000	\$11.65	\$4,157,050	\$8.24	\$3,205,800	\$6.35	\$2,597,150	\$5.15	\$31.39
2030 - 2031	\$52,475,167,891	4.00%			\$7,420,350	\$14.14	\$5,765,300	\$10.99	\$3,955,400	\$7.54	\$32.67
2031 - 2032	\$54,574,174,607	4.00%			\$7,710,150	\$14.13	\$5,995,250	\$10.99	\$4,105,650	\$7.52	\$32.64
2032 - 2033	\$56,757,141,591	4.00%			\$8,015,600	\$14.12	\$6,232,750	\$10.98	\$4,284,400	\$7.55	\$32.65
2033 - 2034	\$59,027,427,255	4.00%					\$11,627,450	\$19.70	\$7,632,650	\$12.93	\$32.63
2034 - 2035	\$61,388,524,345	4.00%					\$12,087,450	\$19.69	\$7,933,400	\$12.92	\$32.61
2035 - 2036	\$63,844,065,319	4.00%					\$12,565,750	\$19.68	\$8,247,900	\$12.92	\$32.60
2036 - 2037	\$66,397,827,932	4.00%							\$21,355,400	\$32.16	\$32.16
2037 - 2038	\$69,053,741,049	4.00%							\$22,210,650	\$32.16	\$32.16
2038 - 2039	\$71,815,890,691	4.00%							\$23,099,150	\$32.16	\$32.16
Total Debt Service			\$55,670,000		\$68,303,100		\$82,867,150		\$116,486,750		\$323,327,000
Repayment Ratio			1.50		1.58		1.58		1.82		1.64



BOARD AUTHORIZATION

TO: BOARD OF EDUCATION
FROM: SUPERINTENDENT
DATE: JANUARY 20, 2015 (ACTION)

**SUBJECT: RESOLUTION #14/15-10: ENTERING ELECTION RESULTS INTO BOARD MINUTES
AND CERTIFICATION OF PROCEEDINGS IN THE NOVEMBER 4, 2014, GENERAL
OBLIGATION BOND ELECTION**

ISSUE:

Should the Board of Education approve Resolution #14/15-10 thereby accepting the certification of proceedings from the Registrar of Voters / County Clerk-Recorder in the November 4, 2014, General Obligation Bond Election?

BACKGROUND:

On November 4, 2014, voters cast their ballots for and against Measure "I" for the Conejo Valley Unified School District Special Bond Election consolidated with the Gubernatorial General Election. Mark A. Lunn, Clerk Recorder/Registrar of Voters of the County of Ventura has provided the attached certification of the ballots cast. Measure I was approved by more than fifty-five percent of the votes cast in the Bond Election.

ALTERNATIVES:

1. Approve Resolution #14/15-10 certification of proceedings in the November 4, 2014, General Obligation Bond Election, as submitted.
2. Approve Resolution #14/15-10 certification of proceedings in the November 4, 2014, General Obligation Bond Election, as amended.
3. Do not approve Resolution #14/15-10 certification of proceedings in the November 4, 2014, General Obligation Bond Election, as submitted.

RECOMMENDATION:

Alternative #1.

RATIONALE:

The County Clerk Recorder/Registrar of Voters is required to certify ballots cast in elections and has provided the attached certification accordingly. The District is required to formally enter the results into Board minutes and certify that all proceedings of the District in connection with the Bond Election have been accomplished according to law.

Respectfully submitted,

Jeffrey L. Baarstad, Ph.D.
Superintendent

Prepared by:



Jon D. Sord, Ed.D.
Assistant Superintendent, Business Services

JLB:JDS:dbg

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BOARD OF EDUCATION**

RESOLUTION NO. 14/15-10

RESOLUTION OF THE BOARD OF EDUCATION OF THE CONEJO VALLEY UNIFIED SCHOOL DISTRICT ENTERING ELECTION RESULTS INTO THE MINUTES AND CERTIFYING TO THE BOARD OF SUPERVISORS OF VENTURA COUNTY ALL PROCEEDINGS IN THE NOVEMBER 4, 2014, GENERAL OBLIGATION BOND ELECTION

WHEREAS, the Board of the Conejo Valley Unified School District (the "District") previously adopted a resolution requesting Ventura County (the "County") to call an election for general obligation bonds (the "Bond Election") to be held on November 4, 2014; and

WHEREAS, such resolution was duly delivered to the Registrar of Voters/County Clerk-Recorder of the County; and

WHEREAS, notice of the Bond Election was duly given; and

WHEREAS, on November 4, 2014, the Bond Election was duly held and conducted for the purpose of voting a measure for the issuance of bonds of the District in the amount of \$197,000,000 ("Measure I"); and

WHEREAS, the Board of the District has received from the Registrar of Voters/County Clerk-Recorder the Canvass Certificate and Official Statement of Results (the "Canvass") of the Bond Election; and

WHEREAS, it appears from the Canvass, a copy of which is attached hereto as Exhibit "A," that more than fifty-five percent of the votes cast on Measure I were in favor of issuing the aforementioned bonds.

NOW, THEREFORE, THE BOARD OF THE CONEJO VALLEY UNIFIED SCHOOL DISTRICT DOES HEREBY FIND, DETERMINE AND CERTIFY AS FOLLOWS:

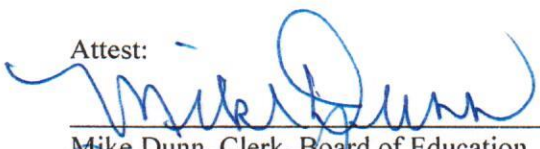
Section 1. That entry be made upon the minutes of the meeting that Measure I has been approved by more than fifty-five percent of the votes cast at the Bond Election.

Section 2. That all proceedings of the District in connection with the Bond Election have been accomplished according to law.

Section 3. That the Secretary of the Board is hereby requested to deliver a copy of this Resolution with the Canvass to the County Superintendent of Schools and the Clerk of the Board of Supervisors of the County.

PASSED AND ADOPTED THIS 20th day of January 2015, at a regular meeting of the Conejo Valley Unified School District.

Attest:



Mike Dunn, Clerk, Board of Education



Jeffrey L. Baarstad, Ph.D., Secretary,
Board of Education

STATE OF CALIFORNIA }
VENTURA COUNTY } SS

I, JEFFREY BANKSTAD, do hereby certify that the foregoing Resolution No. 14/15-10 was duly adopted by the Board of the Conejo Valley Unified School District at a meeting thereof held on the 20th day of January, 2015 and that it was so adopted by the following vote:

AYES: 5

NOES: 0

ABSENT: 0

ABSTENTIONS: 0

By: _____



Secretary

CERTIFICATE OF THE COUNTY CLERK
(Elections Code Sections 15372 (a)) and 10264)

**Conejo Valley Unified School District
Special Bond Election
Measure "I"**

November 4, 2014

State of California }
County of Ventura } SS.

I, **MARK A. LUNN**, Clerk Recorder/Registrar of Voters of the County of Ventura, State of California, do hereby certify that the following is a true and correct Canvass of the Ballots Cast for and against Measure "I" for the Conejo Valley Unified School District Special Bond Election consolidated with the Gubernatorial General Election held on November 4, 2014.


I certify that the total ballots cast at the Conejo Valley Unified School District Special Bond Election are as follows:

<u>PRECINCT BALLOTS CAST</u>	<u>VOTE BY MAIL BALLOTS CAST</u>	<u>TOTAL BALLOTS CAST</u>
19,226	25,061	44,287

I further certify that the total votes cast on Measure "I" are as follows:

<u>MEASURE "I"</u>	<u>PRECINCT VOTE</u>	<u>VOTE BY MAIL VOTE</u>	<u>TOTAL VOTE</u>
BONDS YES	11,817	15,651	27,468
BONDS NO	6,223	7,961	14,184

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal this 24th day of November, 2014.


MARK A. LUNN, CERA
 Clerk Recorder/Registrar of Voters
 County of Ventura

COUNTY OF VENTURA Statement of Vote Summary
VEN_20141104_E

NON-PARTISAN MEASURE I														
	Registration	Ballots Cast	Turnout (%)		BONDS YES	BONDS NO								
26th CONGRESS	82,374	44,287	53.76		27468	14184								
19th SENATE	0	0	0.00		0	0								
27th SENATE	82,374	44,287	53.76		27468	14184								
44th ASSEMBLY	82,374	44,287	53.76		27468	14184								
Election Day Totals	82,374	19,226	23.34		11817	6223								
Board of Equalization 3rd	82,374	44,287	53.76		27468	14184								
2nd SUPE DISTRICT	82,315	44,252	53.76		27455	14166								
4th SUPE DISTRICT	59	35	59.32		13	18								
Vote By Mail Totals	82,374	25,061	30.42		15651	7961								
VENTURA	82,374	44,287	53.76		27468	14184								
CITY OF MOORPARK	0	0	0.00		0	0								
CITY OF THOUSAND OAKS	76,807	41,285	53.75		25706	13133								
2ND SUPE DIST-UNINCORPOR	5,508	2,967	53.87		1749	1033								
4TH SUPE DIST-UNINCORPOR	59	35	59.32		13	18								
Grand Totals	82,374	44,287	53.76		27468	14184								

<p>Proposition 48</p> <p>Completed Precincts 614 of 614</p> <p>YES 77,105 40.15%</p>	<p>MEASURE E</p> <p>Completed Precincts 101 of 101</p> <p>YES 25,172 83.17%</p> <p>NO 5,092 16.83%</p>	<p>MEASURE I</p> <p>Completed Precincts 87 of 87</p> <p>BONDS NO 14,184 34.05%</p>
<p>MEASURE A</p> <p>Completed Precincts 9 of 9</p> <p>YES 1,710 66.88%</p> <p>NO 847 33.12%</p>	<p>MEASURE F</p> <p>Completed Precincts 13 of 13</p> <p>YES 2,931 57.66%</p> <p>NO 2,152 42.34%</p>	<p>MEASURE J</p> <p>Completed Precincts 41 of 41</p> <p>BONDS YES 5,223 68.23%</p> <p>BONDS NO 2,432 31.77%</p>
<p>MEASURE B</p> <p>Completed Precincts 9 of 9</p> <p>YES 1,674 68.52%</p> <p>NO 769 31.48%</p>	<p>MEASURE G</p> <p>Completed Precincts 36 of 36</p> <p>BONDS YES 3,753 70.93%</p> <p>BONDS NO 1,538 29.07%</p>	<p>MEASURE K</p> <p>Completed Precincts 5 of 5</p> <p>BONDS YES 398 67.80%</p> <p>BONDS NO 189 32.20%</p>
<p>MEASURE C</p> <p>Completed Precincts 9 of 9</p> <p>NO 1,697 73.75%</p> <p>YES 604 26.25%</p>	<p>MEASURE H</p> <p>Completed Precincts 7 of 7</p> <p>YES 1,255 51.00%</p> <p>NO 1,206 49.00%</p>	<p>MEASURE M</p> <p>Completed Precincts 9 of 9</p> <p>NO 2,133 55.66%</p> <p>YES 1,699 44.34%</p>
<p>MEASURE D</p> <p>Completed Precincts 101 of 101</p> <p>YES 25,610 82.61%</p> <p>NO 5,391 17.39%</p>	<p>MEASURE I</p> <p>Completed Precincts 87 of 87</p> <p>BONDS YES 27,468 65.95%</p>	

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TO: BOARD OF EDUCATION
FROM: SUPERINTENDENT
DATE: ~~JANUARY 6, 2015 (INFORMATION)~~
JANUARY 20, 2015 (ACTION)

**SUBJECT: APPROVAL OF MEASURE I BOND CITIZENS' OVERSIGHT COMMITTEE BYLAWS,
APPLICATION FORM AND TIMELINE**

ISSUE:

Should the Board of Education approve the Measure I Bond Independent Citizens' Oversight Committee Bylaws, Application Form and Timeline, as submitted?

BACKGROUND:

In November 2014 the voters of Conejo Valley Unified School District overwhelmingly approved Measure I, a \$197 million general obligation bond to support technology and facilities improvements. Pursuant to Proposition 39 and Education Code 15278, the Board of Education must establish an Independent Citizens' Oversight Committee (the Committee). The Committee's responsibilities are established in statute, and include:

- Inform the public concerning the District's expenditure of Measure I bond proceeds;
- Review expenditure reports produced by the District to ensure that Measure I bond proceeds were expended only for the purposes set forth in Measure I; and
- Present to the Board in public session, an annual written report outlining their activities and conclusions regarding the expenditure of Measure I bond proceeds.

The Committee shall be made up of at least seven members appointed by the Board, and based upon criteria established in statute:

- One (1) member shall be the parent or guardian of a child enrolled in the District.
- One (1) member shall be both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization, such as the P.T.A. or a school site council.
- One (1) member active in a business organization representing the business community located in the District.
- One (1) member active in a senior citizens' organization.
- One (1) member active in a bona-fide taxpayers association.
- Two (2) members of the community at-large.

District Bond Counsel David Casnocha of the firm of Stradling, Yocca, Carlson and Rauth have provided District staff with recommended Draft Committee Bylaws and an Application Form for the solicitation of District residents interested in serving on the Committee. A copy of the proposed Bylaws and Application Form follow. District staff have modified Section 5.5 of the Bylaws as indicated in bold and strikeout to reflect the Board's desire to be more directly involved in the selection of the Committee.

District staff is recommending the following timeline for the appointment of District residents to the Committee.

- *January 20, 2015 Board approval of Committee Bylaws, Application Form and Timeline
- January 21, 2015 Post solicitation of applications on District Website and in local newspapers
- February 12, 2015 Deadline for receipt of applications in the Superintendent's Office

- February 17, 2015 Nomination Subcommittee meets to develop nominations for Board approval
 - *March 3, 2015 Nominations are presented to full Board for approval
- *Regularly scheduled meetings of the CVUSD Board of Education

ALTERNATIVES:

1. Approve the Draft Oversight Committee Bylaws, Application Form and Timeline, as submitted.
2. Approve the Draft Oversight Committee Bylaws, Application Form and Timeline, as revised.
3. Do not approve the Draft Oversight Committee Bylaws, Application Form and Timeline, as submitted.

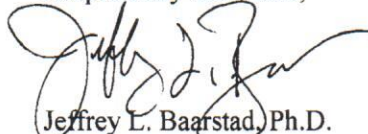
RECOMMENDATION:

Approve alternative #1.

RATIONALE:

Approval of the Draft Oversight Committee Bylaws, Application Form and Timeline will allow the Board of Education to move forward with the appointment of the Measure I Bond Independent Citizens' Oversight Committee, as required by law.

Respectfully submitted,



Jeffrey L. Baarstad, Ph.D.
Superintendent

JLB:ki

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
APPLICATION FOR INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE**

The Board of Education of the Conejo Valley Unified School District is seeking qualified, interested individuals to serve on a committee of community leaders which will serve as the Independent Citizens' Oversight Committee ("COC") for the implementation of the District's Measure I school facilities bond program.

Proposition 39 Bond Election

On November 4, 2014, voters residing within the Conejo Valley Unified School District passed Measure I. Measure I is a \$197,000,000 bond measure that authorizes funding for needed repairs, upgrades, and new construction projects to the District's schools. Proposition 39 required a 55% supermajority for approval; Measure I was passed by 65.28%.

Establishment of a Citizens' Oversight Committee

After a bond authorized under Proposition 39 is passed, state law requires that the Conejo Valley Unified School District Board appoint an Independent Citizens' Oversight Committee to work with the District.

Committee Responsibilities

In accordance with Education Code Section 15278(b), the Citizens' Oversight Committee shall:

- Inform the public concerning the District's expenditure of Measure I bond proceeds;
- Review expenditure reports produced by the District to ensure that Measure I bond proceeds were expended only for the purposes set forth in Measure I; and
- Present to the Board in public session, an annual written report outlining their activities and conclusions regarding the expenditure of Measure I bond proceeds.

The Bylaws which govern the Citizens' Oversight Committee are attached to this Application.

Appointment of Committee Members

All appointments will be made by the Board from applications submitted to the District.

Time Commitment and Term

Initial appointments will be staggered, such that some of the initial appointees will be appointed to serve one full two-year term. The other initial appointments will serve a one-year term, but will be eligible for reappointment by the Board for a second and third two-year term.

Would You be Interested in Serving?

If you wish to serve on this important committee, please review the committee Bylaws for more information about the committee's role and responsibilities and complete the attached application. Completed applications should be sent to the Superintendent's Office of the Conejo Valley Unified School District by 4:30 PM on February 12, 2015.

**Conejo Valley Unified School District
1400 E. Janss Road
Thousand Oaks, CA 91362
Telephone: 805-497-9511**

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
APPLICATION FOR INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE**

(Please Print or Type)

Name: _____

Address: _____

Home Phone: _____ Work Phone: _____

FAX #: _____ E-Mail: _____

Why do you want to serve on the Measure I Independent Citizens' Oversight Committee?

Do you have any special area of expertise or experience that you think would be helpful to the committee?

If you have served on other school district, city or community committees please list and briefly describe your role:

I would be able to represent the following constituencies in the District: *(check all that apply)*

- Business Representative** - Active in a business organization representing local business
Organization: _____
- Senior Citizen Group Representative** - Active member in a senior citizens' organization.
Organization: _____
- Taxpayer Organization Member** - Active in a bona fide taxpayers' association.
Organization: _____
- Parent or Guardian of Child Enrolled in District.**
Child's Name and School: _____
Child's Name and School: _____
- Parent /Guardian of Child Enrolled in District & Active in a Parent-Teacher Organization**
Child's Name and School: _____
Child's Name and School: _____
Organization: _____
- At-Large Community Member** – Resident of the Conejo Valley Unified School District.

Please note any additional information you feel should be considered as part of your application:

1. Are you an employee of the District?*
2. Are you a vendor, contractor, or consultant to the school district?*
3. Do you have conflicts that would preclude your attending quarterly meetings?
4. Do you know of any reason, such as a potential conflict of interest, which would adversely affect your ability to serve on the Independent Citizens' Oversight Committee?*
5. Are you willing to comply with the ethics code included in the bylaws?

YES	NO

(*Employees, vendors, contractors, and consultants of the Conejo Valley Unified School District are prohibited by law from being members of the Citizens' Oversight Committee. Employment which could result in becoming a contractor or subcontractor to the district would also be a potential conflict.)

Signature of Applicant

All answers and statements in this document are true and complete to the best of my knowledge.

Signature _____ Date _____.

Completed applications must be received in the
 Superintendent's Office of the Conejo Valley Unified School District
 1400 E. Janss Road, Thousand Oaks, CA 91362

no later than at 4:30 pm, February 12, 2015. If you have any questions, please call the Conejo Valley Unified School District at 805-497-9511.

It is the policy of the Conejo Valley Unified School District not to unlawfully discriminate on the basis of sex, sexual orientation, gender, ethnic group identification, race, ancestry, national origin, color, religion, marital status, age or mental or physical disability in the educational programs or activities which it operates.

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE
BYLAWS**

Section 1. Committee Established. The Conejo Valley Unified School District (the "District") was successful at the election conducted on November 4, 2014 (the "Election") in obtaining authorization from the District's voters to issue up to \$197,000,000 aggregate principal amount of the District's school facilities bond ("Measure I"). The Election was conducted under Proposition 39, being chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, at Section 15264 *et seq.* of the Education Code of the State ("Prop 39"). Pursuant to Section 15278 of the Education Code, the District is now obligated to establish an Independent Citizens' Bond Oversight Committee in order to satisfy the accountability requirements of Prop 39. The Board of Education of the Conejo Valley Unified School District (the "Board") hereby establishes the Independent Citizens' Bond Oversight Committee (the "Committee") which shall have the duties and rights set forth in these Bylaws. The Committee does not have legal capacity independent from the District.

Section 2. Purposes. The purposes of the Committee are set forth in Prop 39, and these Bylaws are specifically made subject to the applicable provisions of Prop 39 as to the duties and rights of the Committee. The Committee shall be deemed to be subject to the *Ralph M. Brown Public Meetings Act* of the State of California and shall conduct its meetings in accordance with the provisions thereof. The District shall provide necessary administrative support to the Committee as shall be consistent with the Committee's purposes, as set forth in Prop 39.

The proceeds of general obligation bonds issued pursuant to the Election are hereinafter referred to as "bond proceeds." The Committee shall confine itself specifically to bond proceeds generated under Measure I. Regular and deferred maintenance projects and all monies generated under other sources shall fall outside the scope of the Committee's review.

Section 3. Duties. To carry out its stated purposes, the Committee shall perform only the duties set forth in Sections 3.1, 3.2, and 3.3 hereof, and shall refrain from those activities set forth in Sections 3.4 and 3.5.

3.1 **Inform the Public.** The Committee shall inform the public concerning the District's expenditure of bond proceeds. In fulfilling this duty, all official communications to either the Board or the public shall come from the Chair acting on behalf of the Committee. The Chair shall only release information that reflects the majority view of the Committee.

3.2 **Review Expenditures.** The Committee shall review expenditure reports produced by the District to ensure that (a) bond proceeds were expended only for the purposes set forth in Measure I; and (b) no bond proceeds were used for teacher or administrative salaries or other operating expenses in compliance with Attorney General Opinion 04-110, issued on November 9, 2004.

3.3 **Annual Report.** The Committee shall present to the Board, in public session, an annual written report which shall include the following:

(a) A statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution; and

(b) A summary of the Committee's proceedings and activities for the preceding year.

3.4 Duties of the Board/Superintendent. Either the Board or the Superintendent, as the Board shall determine, shall have the following powers reserved to it, and the Committee shall have no jurisdiction over the following types of activities:

- (i) Approval of contracts,
- (ii) Approval of change orders,
- (iii) Expenditures of bond funds,
- (iv) Handling of all legal matters,
- (v) Approval of project plans and schedules,
- (vi) Approval of all deferred maintenance plans, and
- (vii) Approval of the sale of bonds.

3.5 Measure I Projects Only. In recognition of the fact that the Committee is charged with overseeing the expenditure of bond proceeds, the Board has not charged the Committee with responsibility for:

(a) Projects financed through the State of California, developer fees, redevelopment tax increment, certificates of participation, lease/revenue bonds, the general fund or the sale of surplus property without bond proceeds shall be outside the authority of the Committee.

(b) The establishment of priorities and order of construction for the bond projects, which shall be made by the Board in its sole discretion.

(c) The selection of architects, engineers, soils engineers, construction managers, project managers, CEQA consultants and such other professional service firms as are required to complete the project based on District criteria established by the Board in its sole discretion.

(d) The approval of the design for each project including exterior materials, paint color, interior finishes, site plan and construction methods (modular vs. permanent) which shall be determined by the Board in its sole discretion.

(e) The selection of independent audit firm(s), performance audit consultants and such other consultants as are necessary to support the activities of the Committee.

(f) The approval of an annual budget for the Committee that is sufficient to carry out the activities set forth in Prop 39 and included herein.

(g) The appointment or reappointment of qualified applicants to serve on the Committee, subject to legal limitations, and based on criteria adopted in the Board's sole discretion as part of carrying out its function under Prop 39.

Section 4. Authorized Activities.

4.1 In order to perform the duties set forth in Section 3.0, the Committee may engage in the following authorized activities:

(a) Receive copies of the District's annual, independent performance audit and annual, independent financial audit required by Prop 39 (Article XIII A of the California Constitution) (together, the "Audits") at the same time said Audits are submitted to the District, and review the Audits.

(b) Inspect District facilities and grounds for which bond proceeds have been or will be expended, in accordance with any access procedure established by the District's Superintendent.

(c) Review copies of deferred maintenance plans developed by the District.

(d) Review efforts by the District to maximize bond proceeds by implementing various cost-saving measures.

(e) Receive from the Board, within three months of the District receiving the Audits, responses to any and all findings, recommendations, and concerns addressed in the Audits, and review said responses.

Section 5. Membership.

5.1 Number.

The Committee shall consist of at least seven (7) members appointed by the Board from a list of candidates submitting written applications, and based on criteria established by Prop 39, to wit:

- One (1) member shall be the parent or guardian of a child enrolled in the District.
- One (1) member shall be both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization, such as the P.T.A. or a school site council.
- One (1) member active in a business organization representing the business community located in the District.
- One (1) member active in a senior citizens' organization.
- One (1) member active in a bona-fide taxpayers association.
- Two (2) members of the community at-large.

5.2 Qualification Standards.

- (a) To be a qualified person, he or she must be at least 18 years of age.
- (b) The Committee may not include any employee, official of the District or any vendor, contractor or consultant of the District.

5.3 Ethics: Conflicts of Interest.

(a) Members of the Committee are not subject to the Political Reform Act (Gov. Code §§ 81000 *et seq.*), and are not required to complete Form 700; but each member shall comply with the Committee Ethics Policy attached as “Attachment A” to these Bylaws.

(b) Pursuant to Section 35233 of the Education Code, the prohibitions contained in Article 4 (commencing with Section 1090) of Division 4 of Title 1 of the Government Code (“Article 4”) and Article 4.7 (commencing with Section 1125) of Division 4 of Title 1 of the Government Code (“Article 4.7”) are applicable to members of the Committee. Accordingly:

- (i) Members of the Committee shall not be financially interested in any contract made by them in their official capacities or by the Committee, nor shall they be purchasers at any sale or vendors at any purchase made by them in their official capacity, all as prohibited by Article 4; and

- (ii) Members of the Committee shall not engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with, or inimical to duties as a member of the Committee or with the duties, functions, or responsibilities of the Committee or the District. A member of the Committee shall not perform any work, service, or counsel for compensation where any part of his or her efforts will be subject to approval by any other officer, employee, board, or commission of the District’s Board of Trustees, except as permitted under Article 4.7.

5.4 Term. Except as otherwise provided herein, each member shall serve a term of two (2) years, commencing as of the date of appointment by the Board. No member may serve more than three (3) consecutive terms. At the Committee’s first meeting, members will draw lots or otherwise select a minimum of two members to serve for an initial one (1) year term and the remaining members for an initial two (2) year term. Members whose terms have expired may continue to serve on the Committee until a successor has been appointed. Terms commence on the date or number is appointed to the Committee by the Board of Education.

5.5 Appointment. Members of the Committee shall be appointed by the Board through the following process: (a) the District will advertise in the local newspapers, on its website, and in other customary forums, as well as solicit appropriate local groups for applications, using an application form provided by the District; (b) a subcommittee made up of two Board members appointed by the Board President, and the Superintendent will review the applications; (c) the subcommittee will make recommendations to the Board; and (d) the full Board will approve the recommendations.

5.6 Removal; Vacancy. The Board may remove any Committee member for any reason, including failure to attend two consecutive Committee meetings without reasonable excuse or for failure to comply with the Committee Ethics Policy. Upon a member's removal, his or her seat shall be declared vacant. The Board, in accordance with the established appointment process shall fill any vacancies on the Committee. The Board shall seek to fill vacancies within 90 days of the date of occurrence of a vacancy.

5.7 Compensation. The Committee members shall not be compensated for their services.

5.8 Authority of Members. (a) Committee members shall not have the authority to direct staff of the District; (b) individual members of the Committee retain the right to address the Board, either on behalf of the Committee or as an individual; (c) the Committee shall not establish sub-committees for any purpose; and (d) the Committee shall have the right to request and receive copies of any public records relating to Measure I funded projects.

Section 6. Meetings of the Committee.

6.1 Regular Meetings. The Committee shall meet at least once a year, but shall not meet more frequently than quarterly.

6.2 Location. All meetings shall be held within the boundaries of the Conejo Valley Unified School District, located in Ventura County, California.

6.3 Procedures. All meetings shall be open to the public in accordance with the *Ralph M. Brown Act*, Government Code Section 54950 *et seq.* Meetings shall be conducted according to such additional procedural rules as the Committee may adopt. A majority of the number of Committee members shall constitute a quorum for the transaction of any business of the Committee.

Section 7. District Support.

7.1 The District shall provide to the Committee necessary technical and administrative assistance as follows:

(a) preparation of and posting of public notices as required by the *Brown Act*, ensuring that all notices to the public are provided in the same manner as notices regarding meetings of the District Board;

(b) provision of a meeting room, including any necessary audio/visual equipment;

(c) preparation, translation and copies of any documentary meeting materials, such as agendas and reports; and

(d) retention of all Committee records, and providing public access to such records on an Internet website maintained by the District.

7.2 District staff and/or District consultants shall attend Committee proceedings in order to report on the status of projects and the expenditure of bond proceeds.

Section 8. Reports. In addition to the Annual Report required in Section 3.3, the Committee may report to the Board from time to time in order to advise the Board on the activities of the Committee. Such report shall be in writing and shall summarize the proceedings and activities conducted by the Committee.

Section 9. Officers. The Superintendent shall appoint the initial Chair. Thereafter, the Committee shall elect a Chair and a Vice-Chair who shall act as Chair only when the Chair is absent. The Chair and Vice-Chair shall serve in such capacities for a term of one year and may be re-elected by vote of a majority of the members of the Committee.

Section 10. Amendment of Bylaws. Any amendment to these Bylaws shall be approved by a majority vote of the Board.

Section 11. Termination. The Committee shall automatically terminate and disband concurrently with the Committee's submission of the final Annual Report which reflects the final accounting of the expenditure of all Measure I monies.

**CITIZENS' BOND OVERSIGHT COMMITTEE
ETHICS POLICY STATEMENT**

This Ethics Policy Statement provides general guidelines for Committee members in carrying out their responsibilities. Not all ethical issues that Committee members face are covered in this Statement. However, this Statement captures some of the critical areas that help define ethical and professional conduct for Committee members. The provisions of this Statement were developed from existing laws, rules, policies and procedures as well as from concepts that define generally accepted good business practices. Committee members are expected to strictly adhere to the provisions of this Ethics Policy.

POLICY

- **CONFLICT OF INTEREST.** A Committee member shall not make or influence a District decision related to: (1) any contract funded by bond proceeds, or (2) any construction project which will benefit the Committee member's outside employment, business, or a personal finance or benefit an immediate family member, such as a spouse, child or parent.

- **OUTSIDE EMPLOYMENT.** A Committee member shall not use his or her authority over a particular matter to negotiate future employment with any person or organization that relates to: (1) any contract funded by bond proceeds, or (2) any construction project. A Committee member shall not make or influence a District decision related to any construction project involving the interest of a person with whom the member has an agreement concerning current or future employment, or remuneration of any kind. For a period of two (2) years after leaving the Committee, a former Committee member may not represent any person or organization for compensation in connection with any matter pending before the District that, as a Committee member, he or she participated in personally and substantially. Specifically, for a period of two (2) years after leaving the Committee, a former Committee member and the companies and businesses for which the member works shall be prohibited from contracting with the District with respect to: (1) bidding on projects funded by the bond proceeds; and (2) any construction project.

- **COMMITMENT TO UPHOLD LAW.** A Committee member shall uphold the federal and California Constitutions, the laws and regulations of the United States and the State of California (particularly the Education Code) and all other applicable government entities, and the policies, procedures, rules and regulations of the Conejo Valley Unified School District.

- **COMMITMENT TO DISTRICT.** A Committee member shall place the interests of the District above any personal or business interest of the member.



EXPENDITURES

Budget vs. Commitments and Expenditures

thru 06/30/2015

School Name/Project Name	Budget	Commitments		Expenditures	
	Total Budget	Total Commitments	% Budget Committed	Total Expenditures	% Budget Spent
ACACIA					
ACA - Asphalt - Parking Lot Striping	1,009		0.0%		0.0%
ACA - Asphalt Concrete (3)	15,000		0.0%		0.0%
ACA - Kitchen Equipment (3)	40,000		0.0%		0.0%
ACA - Technology Equipment Upgrade	51,878	27	0.1%	27	0.1%
ACA - Technology Infrastructure Upgrade	175,621		0.0%		0.0%
	283,508	27	0.0%	27	0.0%
ASPEN					
ASP - Asphalt Repair (3)	47,000	14,627	31.1%	123	0.3%
ASP - Flooring - Spec. Ed Room C	3,901		0.0%		0.0%
ASP - Kitchen Equipment (3)	40,000		0.0%		0.0%
ASP - Technology Equipment Upgrade	61,723	27	0.0%	27	0.0%
ASP - Technology Infrastructure Upgrade	256,748	125,198	48.8%	3,082	1.2%
	409,372	139,851	34.2%	3,232	0.8%
BANYAN					
BAN - Asphalt - Parking Lot Striping	5,953		0.0%		0.0%
BAN - Flooring Replacement	11,971	11,971	100.0%	11,971	100.0%
BAN - Kitchen Equipment (3)	40,000		0.0%		0.0%
BAN - Technology Equipment Upgrade	69,614	27	0.0%	27	0.0%
BAN - Technology Infrastructure Upgrade	155,195	141,424	91.1%	3,082	2.0%
	282,734	153,422	54.3%	15,079	5.3%
CENTURY ACADEMY					
CAHS - Technology Equipment Upgrade	10,905	27	0.2%	27	0.2%
	10,905	27	0.2%	27	0.2%
COLINA					
COL - Asphalt - Parking Lot Striping (3)	2,159		0.0%		0.0%
COL - Flooring	24,920		0.0%		0.0%
COL - HVAC - PE Offices (3)	22,000		0.0%		0.0%
COL - Kitchen Equipment (3)	50,000		0.0%		0.0%
COL - Roofing R/R	62,000		0.0%		0.0%
COL - Technology Equipment Upgrade	49,287	27	0.1%	27	0.1%
COL - Technology Infrastructure Upgrade	3,500		0.0%		0.0%
	213,866	27	0.0%	27	0.0%
CONEJO					

Budget vs. Commitments and Expenditures

thru 06/30/2015

School Name/Project Name	Budget	Commitments		Expenditures	
	Total Budget	Total Commitments	% Budget Committed	Total Expenditures	% Budget Spent
CON - Asphalt - Parking Lot Striping	909		0.0%		0.0%
CON - Asphalt Repair (3)	10,000	6,673	66.7%	123	1.2%
CON - Campus Security (3)	31,000	18,411	59.4%	858	2.8%
CON - Flooring Replacement	29,057	16,864	58.0%		0.0%
CON - NFL Building Demo	25,000		0.0%		0.0%
CON - Technology Equipment Upgrade	19,192	27	0.1%	27	0.1%
CON - Technology Infrastructure Upgrade (1)	13,750		0.0%		0.0%
	128,908	41,975	32.6%	1,008	0.8%
CYPRESS					
CYP - Asphalt - Parking Lot Striping	809		0.0%		0.0%
CYP - Technology Equipment Upgrade	53,829	27	0.0%	27	0.0%
CYP - Technology Infrastructure Upgrade	145,949		0.0%		0.0%
	200,586	27	0.0%	27	0.0%
EARTHS					
EAR - Asphalt - Parking Lot Striping	1,559		0.0%		0.0%
EAR - Kitchen Equipment	40,000		0.0%		0.0%
EAR - Roofing R/R	204,000		0.0%		0.0%
EAR - Technology Equipment Upgrade	85,861	27	0.0%	27	0.0%
EAR - Technology Infrastructure Upgrade	97,938	70,958	72.5%	3,082	3.1%
	429,358	70,985	16.5%	3,108	0.7%
GLENWOOD					
GLN - Asphalt - Parking Lot Striping	1,559		0.0%		0.0%
GLN - Flooring Replacement	14,470	14,470	100.0%	14,470	100.0%
GLN - Kitchen Equipment	40,000		0.0%		0.0%
GLN - School Marquee	5,000		0.0%		0.0%
GLN - Sink Replacement Rm 32	4,900		0.0%		0.0%
GLN - Technology Equipment Upgrade	14,796	27	0.2%	27	0.2%
GLN - Technology Infrastructure Upgrade	179,388		0.0%		0.0%
	260,113	14,497	5.6%	14,497	5.6%
HORIZON HILLS					
HHL - Asphalt Repair (3)	63,000	45,728	72.6%	123	0.2%
	63,000	45,728	72.6%	123	0.2%
LADERA					
LAD - Asphalt Repair (3)	190,000	165,952	87.3%	8,623	4.5%

Budget vs. Commitments and Expenditures

thru 06/30/2015

School Name/Project Name	Budget		Commitments		Expenditures	
	Total Budget		Total Commitments	% Budget Committed	Total Expenditures	% Budget Spent
LAD - Kitchen Equipment (3)	40,000			0.0%		0.0%
LAD - Technology Equipment Upgrade	69,119		27	0.0%	27	0.0%
LAD - Technology Infrastructure Upgrade	160,821		136,836	85.1%	41,229	25.6%
	459,941		302,815	65.8%	49,879	10.8%
LOS CERRITOS						
LCR - Asphalt Repair	22,000		7,728	35.1%	123	0.6%
LCR - Flooring Replacement	22,102		15,946	72.1%	15,946	72.1%
LCR - HVAC - PE Offices (3)	22,000			0.0%		0.0%
LCR - Kitchen Equipment	50,000			0.0%		0.0%
LCR - Technology Equipment Upgrade	44,223		27	0.1%	27	0.1%
LCR - Technology Infrastructure Upgrade	3,500			0.0%		0.0%
	163,825		23,701	14.5%	16,096	9.8%
LANG RANCH						
LRE - Asphalt Repair (3)	12,000		11,785	98.2%		0.0%
LRE - Campus Security	4,100			0.0%		0.0%
LRE - Flooring Replacement	17,575		13,675	77.8%		0.0%
LRE - Technology Equipment Upgrade	82,461		27	0.0%	27	0.0%
LRE - Technology Infrastructure Upgrade	72,778		51,162	70.3%	3,082	4.2%
	188,914		76,649	40.6%	3,108	1.6%
MADRONA						
MAD - Asphalt - Parking Lot Striping	1,859			0.0%		0.0%
MAD - Campus Security (3)	55,000		23,070	41.9%		0.0%
MAD - Kitchen Equipment (3)	40,000			0.0%		0.0%
MAD - Storm Drainage	26,800			0.0%		0.0%
MAD - Technology Equipment Upgrade	69,867		27	0.0%	27	0.0%
MAD - Technology Infrastructure Upgrade	240,726			0.0%		0.0%
	434,252		23,097	5.3%	27	0.0%

Budget vs. Commitments and Expenditures

thru 06/30/2015

School Name/Project Name	Budget	Commitments		Expenditures	
	Total Budget	Total Commitments	% Budget Committed	Total Expenditures	% Budget Spent
MAPLE					
MAP - Asphalt - Parking Lot Striping	1,259		0.0%		0.0%
MAP - Campus Security (3)	18,000		0.0%		0.0%
MAP - Kitchen Equipment	40,000		0.0%		0.0%
MAP - Technology Equipment Upgrade	68,216	27	0.0%	27	0.0%
MAP - Technology Infrastructure Upgrade	112,228	110,979	98.9%	34,011	30.3%
	239,704	111,006	46.3%	34,037	14.2%
MEADOWS					
MDW - Asphalt - Parking Lot Striping	759		0.0%		0.0%
MDW - Roofing	871,989	832,267	95.4%	19,676	2.3%
	872,748	832,267	95.4%	19,676	2.3%
NEWBURY PARK HIGH					
NPH - Asphalt - Parking Lot Striping	3,559		0.0%		0.0%
NPH - F Wing Renovations	30,000		0.0%		0.0%
NPH - Flooring - Gym Replacement (3) (4)	60,000	38,854	64.8%	300	0.5%
NPH - Kitchen Equipment (3)	60,000		0.0%		0.0%
NPH - Lighting Retrofit - Energy Conservation (3)	81,000	80,318	99.2%		0.0%
NPH - Locker Room Facility Renovation & Upgrade (3) (4)	55,000		0.0%		0.0%
NPH - Roofing	481,264	475,508	98.8%	2,461	0.5%
NPH - Technology Equipment Upgrade	168,972	27	0.0%	27	0.0%
NPH - Technology Infrastructure (4)	185,000		0.0%		0.0%
	1,124,795	594,707	52.9%	2,787	0.2%
PARK OAKS/Bridges					
POK/Bridges - Asphalt - Parking Lot Striping	709		0.0%		0.0%
POK/Bridges - Flooring Replacement (3)	10,000	5,329	53.3%	5,324	53.2%
POK/Bridges - Kitchen Equipment (3)	150,000		0.0%		0.0%
	160,709	5,329	3.3%	5,324	3.3%

Budget vs. Commitments and Expenditures

thru 06/30/2015

School Name/Project Name	Budget	Commitments		Expenditures	
	Total Budget	Total Commitments	% Budget Committed	Total Expenditures	% Budget Spent
REDWOOD					
RED - Asphalt - Parking Lot Striping (3)	1,759		0.0%		0.0%
RED - Flooring - Administration & Library	11,727		0.0%		0.0%
RED - HVAC - Buildings 6, 7 & 8 (3)	750,000		0.0%		0.0%
RED - HVAC - PE Offices (3)	22,000		0.0%		0.0%
RED - Kitchen Equipment (3)	50,000		0.0%		0.0%
RED - Technology Equipment Upgrade	69,831	27	0.0%	27	0.0%
RED - Technology Infrastructure Upgrade	3,500		0.0%		0.0%
	908,817	27	0.0%	27	0.0%
SYCAMORE CANYON					
SCS - Asphalt - Parking Lot Striping	2,259		0.0%		0.0%
SCS - Technology Equipment Upgrade	76,187	27	0.0%	27	0.0%
SCS - Technology Infrastructure Upgrade	110,000		0.0%		0.0%
	188,446	27	0.0%	27	0.0%
SEQUOIA					
SEQ - Asphalt - Parking Lot Striping	2,159		0.0%		0.0%
SEQ - Campus Security (3) (4)	22,000	20,251	92.1%		0.0%
SEQ - Flooring Replacement (3)	8,000	5,625	70.3%		0.0%
SEQ - HVAC - PE Offices (3)	22,000		0.0%		0.0%
SEQ - Kitchen Equipment (3)	50,000		0.0%		0.0%
SEQ - Technology Equipment Upgrade	48,020	27	0.1%	27	0.1%
SEQ - Technology Infrastructure Upgrade	3,500		0.0%		0.0%
	155,679	25,903	16.6%	27	0.0%

Budget vs. Commitments and Expenditures

thru 06/30/2015

School Name/Project Name	Budget	Commitments		Expenditures	
	Total Budget	Total Commitments	% Budget Committed	Total Expenditures	% Budget Spent
THOUSAND OAKS HIGH					
TOH - Asphalt - Parking Lot Striping	4,259		0.0%		0.0%
TOH - Campus Security (NE Corner) (3) (4)	125,000		0.0%		0.0%
TOH - Exterior Lockers	34,460	34,459	100.0%		0.0%
TOH - Exterior Metal Barrier (3)	15,000		0.0%		0.0%
TOH - Flooring - ASB	26,190		0.0%		0.0%
TOH - Flooring - Boys Activity Room (3)	13,000	12,487	96.1%	12,487	96.1%
TOH - HVAC - PE Offices (3)	22,000		0.0%		0.0%
TOH - Kitchen Equipment (3)	60,000		0.0%		0.0%
TOH - Lighting Retrofit - Energy Conservation	137,514	137,513	100.0%		0.0%
TOH - Locker Room Facility Renovation & Upgrade (3)	55,000		0.0%		0.0%
TOH - Roofing - Administration (3)	250,000	235,184	94.1%	27,275	10.9%
TOH - Roofing - Cafeteria (3)	225,000	178,971	79.5%	903	0.4%
TOH - Technology Equipment Upgrade	185,699	27	0.0%	27	0.0%
TOH - Technology Infrastructure (4)	198,000		0.0%		0.0%
	1,351,122	598,641	44.3%	40,691	3.0%
TRIUNFO					
TRI - Flooring Replacement (3)	28,091	25,710	91.5%		0.0%
	28,091	25,710	91.5%		0.0%
UNIVERSITY					
UNV - Asphalt - Parking Lot Striping	1,859		0.0%		0.0%
UNV - Asphalt Repair	10,335	10,335	100.0%		0.0%
UNV - Campus Security (3)	35,000	5,700	16.3%	5,700	16.3%
	47,194	16,035	34.0%	5,700	12.1%
WALNUT					
WAL - Asphalt - Parking Lot Striping	1,059		0.0%		0.0%
WAL - Kitchen Equipment (3)	40,000		0.0%		0.0%
WAL - School Marquee	5,000		0.0%		0.0%
WAL - Technology Equipment Upgrade	64,073	27	0.0%	27	0.0%
WAL - Technology Infrastructure Upgrade	90,852	51,384	56.6%	3,082	3.4%
	200,984	51,411	25.6%	3,108	1.5%

Budget vs. Commitments and Expenditures

thru 06/30/2015

School Name/Project Name	Budget		Commitments		Expenditures	
	Total Budget		Total Commitments	% Budget Committed	Total Expenditures	% Budget Spent
WAVERLY						
WAV - Asphalt - Parking Lot Striping	1,859			0.0%		0.0%
WAV - Outdoor Furniture	7,000			0.0%		0.0%
	8,859			0.0%		0.0%
WEATHERSFIELD						
WFL - Asphalt - Parking Lot Striping	959			0.0%		0.0%
WFL - Asphalt Repair (3)	18,000		7,352	40.8%	123	0.7%
WFL - Building Assessment (3)	15,000			0.0%		0.0%
WFL - Technology Equipment Upgrade	54,999		27	0.0%	27	0.0%
WFL - Technology Infrastructure Upgrade	91,841		61,480	66.9%	3,082	3.4%
	180,798		68,859	38.1%	3,232	1.8%
WESTLAKE HILLS						
WHL - Asphalt - Parking Lot Striping	1,559			0.0%		0.0%
WHL - Kitchen Equipment (3)	40,000			0.0%		0.0%
WHL - Technology Equipment Upgrade	70,568		27	0.0%	27	0.0%
WHL - Technology Infrastructure Upgrade	149,259		143,430	96.1%	42,909	28.7%
	261,386		143,457	54.9%	42,935	16.4%
WESTLAKE HIGH						
WHS - Asphalt - Parking Lot Striping	4,859			0.0%		0.0%
WHS - Athletic Facilities Upgrade	5,000			0.0%		0.0%
WHS - Gym Flooring Repair (3)	380,000		103,550	27.3%	969	0.3%
WHS - HVAC - PE Offices (3)	22,000			0.0%		0.0%
WHS - Kiln Room Renovation	300,000			0.0%		0.0%
WHS - Kitchen Equipment (3)	60,000			0.0%		0.0%
WHS - Roofing - Building 2	210,178		210,178	100.0%	118,103	56.2%
WHS - Roofing - Gym (3)	600,000		547,645	91.3%	489,854	81.6%
WHS - Site Assessment	3,308			0.0%		0.0%
WHS - Slope Stabilization (3)	75,000			0.0%		0.0%
WHS - Technology Equipment Upgrade	134,620		27	0.0%	27	0.0%
WHS - Technology Infrastructure (4)	153,000			0.0%		0.0%
WHS - Water Intrusion Bldgs 2 & 4 (3)	75,000			0.0%		0.0%
	2,022,965		861,399	42.6%	608,952	30.1%

Budget vs. Commitments and Expenditures

thru 06/30/2015

School Name/Project Name	Budget	Commitments		Expenditures	
	Total Budget	Total Commitments	% Budget Committed	Total Expenditures	% Budget Spent
WESTLAKE					
WLE - Campus Security	35,000	7,940	22.7%	777	2.2%
WLE - Concrete (3)	15,000		0.0%		0.0%
WLE - Technology Equipment Upgrade (3)	41,000	27	0.1%	27	0.1%
WLE - Technology Infrastructure Upgrade	151,215		0.0%		0.0%
	242,215	7,967	3.3%	804	0.3%
WILDWOOD					
WWD - Asphalt - Parking Lot Striping	709		0.0%		0.0%
WWD - Site Improvements - Misc. (3)	2,500		0.0%		0.0%
WWD - Technology Equipment Upgrade	33,452	27	0.1%	27	0.1%
WWD - Technology Infrastructure Upgrade	127,069		0.0%		0.0%
	163,730	27	0.0%	27	0.0%
Salaries, Benefits, Construction Management, Software, Advertisement					
Salaries, Benefits, Construction Management, Software	7,100,000	114,931	1.6%	15,418	0.2%
	7,100,000	114,931	1.6%	15,418	0.2%
Totals	18,787,523	4,350,525	23.2%	889,033	4.7%



COMMITTEE MEETING MINUTES

CONEJO VALLEY UNIFIED SCHOOL DISTRICT
MEASURE I
INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE

MINUTES JUNE 3, 2015

OPEN REGULAR SESSION – OPENING PROVISIONS

Call to Order and Roll Call: Dr. Jon Sand called the meeting to order at 1:04 p.m. Present were the following:

INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE

Marshall Denninger, Parent / PTA representative
Gail Ginell, Community At-Large representative
Tony Gitt, Senior Citizens' Organization representative
Wendy Goldstein, Parent representative
Bill Gorback, Community At-Large representative
Charles Lech, Business Organization representative
~~Jere Robings, Taxpayers' Association representative (absent)~~

ADMINISTRATIVE STAFF

Jeffrey L. Baarstad, Ph.D., Superintendent
Jon Sand, Ed.D, Assistant Superintendent, Chief Business Official,
and Senior Staff Liaison to the Committee
Mike Buckley, Director, Maintenance and Operations
David Fateh, Director, Planning and Facilities
Jerome Staszewski, Director, Technology Services
Debbie Gonzales, Administrative Assistant, Business Services

Also present was David Casnocha, J.D., of Stradling Yocca Carlson & Rauth, P.C., who provides legal counsel to the District regarding the bond. Attendees introduced themselves and discussed their background and participation in District schools.

Dr. Sand read the procedural announcements.

Approval of the Agenda

Charles Lech moved to approve the Agenda, seconded by Bill Gorback. Motion carried 6-0.

Comments from the Public

None

Comments from the Superintendent

Dr. Jeffrey Baarstad provided a brief history regarding the District. A small bond was passed in the late 1970's to build what is now Conejo Valley High School, in 1998 Measure R (\$88m) passed, then on November 4, 2014, Measure I (\$197m) passed. With the Measure I funding, the District will integrate technology into the everyday instruction of students. The District has 27 school sites, so a great deal of

planning is needed to implement the Measure I improvements. It will take 12-14 years to complete all of the construction projects of Measure I. The District will purchase \$2m-\$2.5m in technology hardware each year. The first Measure I bonds will be issued next Thursday, June 11, 2015. Wells Fargo has been chosen to be the Underwriter of the bonds. The interest rate on the bonds is yet to be determined, but could possibly be 3.5-4%. The proceeds must be deposited in the County Treasury and will earn interest while held by the County Treasury. More information will be available at the Committee Meeting in August 2015.

Comments from Senior Staff Liaison to the Committee

Dr. Sand welcomed all and reviewed the information in the binders provided to the Board members. The information in the binders is available to the public on the District website at the following link:

<http://www.conejousd.org/MeasureIBondCitizensOversightCommittee.aspx>

The Committee is subject to the *Ralph M. Brown Public Meetings Act* and will conduct its meetings in accordance with its provisions. The Brown Act may be a future topic for training of the Committee.

Comments from Individual Committee Members

It was asked if the Maintenance budget will be used for Measure I projects. Dr. Baarstad explained that prior to 2007/08 the state gave us Deferred Maintenance funds which were used on re-roofing, HVAC, and pavement primarily. During the recession, the State eliminated the Deferred Maintenance funding and it has not been restored. The District also has a Maintenance budget of approximately \$800k/year for maintenance supplies. The District will receive Redevelopment funds from the State (\$1m/year) which is used on maintenance projects. The District also receives Developer fees amounting to about \$500k/year. Since 2007/08, the District has received about \$1.8m/year less than it received prior to 2007/08.

Roles and Responsibilities of the Committee

David G. Casnocha, J.D., Stradling Yocca Carlson & Rauth, P.C., provides legal counsel to the District regarding the bond. Mr. Casnocha explained that from 1986 to 2000 the District needed to get two-thirds voter approval in order to pass a bond. After 2000, the law changed and 55% voter approval was required to pass a bond for acquisition and furnishing, but there are conditions. For a Unified School District, the tax rate cannot exceed \$50 per \$100,000 of assessed valuation, an independent audit is required, and the District must establish a bond oversight committee.

Voters passed the following initiative which was on the ballot on November 4, 2014:

"To upgrade/maintain Conejo Valley schools with funding that cannot be taken by the State, shall Conejo Valley Unified School District upgrade all science/career training labs, update/maintain classroom technology and network infrastructure, provide safe, well maintained classrooms, repair/replace electrical, plumbing/roofing, repair, construct, acquire/equip sites/facilities, and improve school safety/security by issuing \$197 million in bonds, at legal rates, with citizens' oversight, annual audits, no money for administrators, and without increasing current tax rates?"

Committee Bylaws

David Casnocha reviewed the Committee Bylaws, which were approved by the CVUSD Board of Education on January 20, 2015. Per Section 2, the Committee is subject to the *Ralph M. Brown Public Meetings Act* of the State of California and shall conduct its meetings in accordance with the provisions thereof. Meetings must be public. Serial meetings are prohibited; consequently, meetings should be limited to items on the Agenda. Per Section 3, the Committee shall perform only the following duties:

Inform the Public. The Committee shall inform the public concerning the District's expenditure of bond proceeds. In fulfilling this duty, all official communications to either the Board or the public shall come from the Chair acting on behalf of the Committee. The Chair shall only release information that reflects the majority view of the Committee.

Review Expenditures. The Committee shall review expenditure reports produced by the District to ensure that (a) bond proceeds were expended only for the purposes set forth in Measure I; and (b) no bond proceeds were used for teacher or administrative salaries or other operating expenses in compliance with Attorney General Opinion 04-110, issued on November 9, 2004.

Annual Report. The Committee shall present to the Board, in public session, an annual written report which shall include the following:

- A statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution; and
- A summary of the Committee's proceedings and activities for the preceding year.

The Committee could do their Annual Report after the fiscal year closes, or can wait until the fiscal year has been audited (the audit is received in January following the fiscal year ending in June).

Appointment of Committee Chairperson by the Superintendent

Per Committee Bylaws Section 9, Officers, the Superintendent shall appoint the initial Chair. Thereafter, the Committee shall elect a Chair. The Chair shall serve for a term of one year and may be re-elected by vote of a majority of the members of the Committee. Dr. Baarstad appointed Marshall Denninger as Committee Chairperson for a one-year term.

ACTION ITEMS – GENERAL

Election of Committee Vice-Chairperson

Per Committee Bylaws Section 9, Officers, the Committee shall elect a Vice-Chair who shall act as Chair only when the Chair is absent. The Vice-Chair shall serve for a term of one year and may be re-elected by vote of a majority of the members of the Committee. Charles Lech moved to elect Bill Gorback as Vice-Chairperson, Wendy Goldstein seconded the motion, and the motion carried 6-0.

Selection of Two Committee Members to Serve One-Year Terms

Per Committee Bylaws Section 5.4, Term, except as otherwise provided herein, each member shall serve a term of two years, commencing as of the date of appointment by the Board. No member may serve more than three consecutive terms. At the Committee's first meeting, members will draw lots or otherwise select a minimum of two members to serve for an initial one year term and the remaining members for an initial two year term.

On March 17, 2015, and on April 21, 2015, the Board of Education approved members of the Committee and terms for each member as follows:

- 2 year terms for Marshall Denninger, Tony Gitt, and Charles Lech
- 1 year terms for Gail Ginell, Wendy Goldstein, Bill Gorback, and Jere Robings

It was discussed that the Committee had the option of selecting a minimum of two members to serve for an initial one year term, as stated in the Bylaws. Committee members stated that they found the terms established by the Board to be acceptable. Gail Ginell moved to keep the terms established by the Board, Bill Gorback seconded the motion, and the motion carried 6-0.

Selection of Meeting Dates, Time, and Location for 2015/2016

The Committee discussed what dates, times, and locations would be acceptable for meetings in 2015/2016. Bill Gorback moved to make the Committee meetings on the second Tuesday of August, November, February, and May from 1:00 to 2:30 p.m., in Conference Room A or occasionally at an off-site location to be determined. Wendy Goldstein seconded the motion and the motion carried 6-0. The meetings will be 8/11/15, 11/10/15, 2/9/16, and 5/10/16.

INFORMATION / DISCUSSION ITEMS

Measure I Overview

Dr. Sand and David Fateh provided a Measure I Overview. Measure I expenditures will be for 1) Facilities Modernization and Construction (Bricks and Mortar Facilities), and 2) Technology Endowment. If all of the Bond Issues are tax-exempt then the rate will be lower for taxpayers, which would be favorable. Issues in 2018, 2021, and 2024 are increasingly larger so that the tax rate won't increase over time. Summary Sheets will be provided summarizing expenditures by site, by year. Summaries will also be provided listing each project at a given site, identifying the payee, and the amount expended. Project expenditures include the following "Soft Costs": In-House Staffing (Project Manager, Construction Supervisor, Administrative Assistant), Designers, Consultants, Testing/Inspection Fees, and Program Management Software. At the Committee meeting in August, there will be a detailed presentation regarding planned projects and acquisitions. The school sites have identified their needs, but the District has determined which projects will be done, when, and the funding source.

Future Agenda Topics

Dr. Sand offered that the following future agenda topics and presenters could be provided, if the Committee chooses:

- The Brown Act – Attorney
- Construction Management – David Fateh
- Technology Implementation – Dr. Jennifer Boone, Jayna Lovo, Jerome Staszewski
- How Audits are Performed – VTD Auditors
- Annual Report Preparation – Dr. Sand
- Committee Website – Dr. Sand

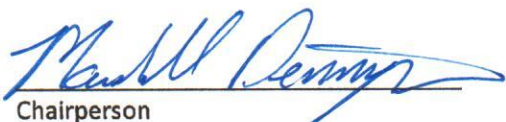
ADJOURNMENT

Marshall Denninger adjourned the Open General Session at 3:28 p.m. The Committee will reconvene at its next regularly scheduled meeting as follows:

- Date: August 11
- Time: 1:00-2:30
- Place: Conference Room A

8/11/15

Date



Chairperson



INDEPENDENT AUDITS

TO: BOARD OF EDUCATION
FROM: SUPERINTENDENT
DATE: JANUARY 19, 2016 (ACTION)

SUBJECT: BUILDING FUND (MEASURE I) FINANCIAL AND PERFORMANCE AUDITS 2014-2015

ISSUE:

Should the Board of Education accept the Building Fund (Measure I) Financial and Performance Audits 2014-2015?

BACKGROUND:

The Building Fund (Measure I) Financial and Performance Audits 2014-2015 were conducted by independent auditors in accordance with the standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The independent auditor's findings and conclusions are stated in the audits. Copies of the audits were previously distributed to members of the Board of Education.

ALTERNATIVES:

1. Accept the Building Fund (Measure I) Financial and Performance Audits 2014-2015, as submitted.
2. Accept the Building Fund (Measure I) Financial and Performance Audits 2014-2015, as amended.
3. Do not accept the Building Fund (Measure I) Financial and Performance Audits 2014-2015.

RECOMMENDATION:

Approval of Alternative No. 1.


RATIONALE:

The California Constitution requires boards of education to annually contract for an independent audit of school district bond fund financial records and practices, and to formally accept the resulting audit reports.

Respectfully submitted,

Ann N. Bonitatibus, Ed.D.
Superintendent

Prepared by:


Susan Tucker, Director, Fiscal Services, on behalf of
Jon D. Sand, Ed.D, Assistant Superintendent, Business Services

ANB:JDS:ST:dm

Note: The Building Fund Audits are available to the public on the "Board Meetings and Agendas" webpage at www.conejousd.org and in the Business Services Office.

CONEJO VALLEY UNIFIED SCHOOL DISTRICT

**BUILDING FUND (MEASURE I)
FINANCIAL AND PERFORMANCE AUDITS**

JUNE 30, 2015

CONEJO VALLEY UNIFIED SCHOOL DISTRICT

**BUILDING FUND (MEASURE I)
FINANCIAL AUDIT**

JUNE 30, 2015

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)**

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JUNE 30, 2015**

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INDEPENDENT AUDITOR'S REPORT

Governing Board and
Citizens Oversight Committee
Conejo Valley Unified School District
Thousand Oaks, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Conejo Valley Unified School District's (the District), Building Fund (Measure I), as of and for the year ended June 30, 2015, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of financial statements, whether due to error or fraud. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Building Fund (Measure I) of the Conejo Valley Unified School District at June 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Building Fund specific to Measure I, and are not intended to present fairly the financial position and changes in financial position of Conejo Valley Unified School District in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Conejo Valley Unified School District's basic financial statements. The accompanying supplementary information as listed on the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2015, on our consideration of the District's Building Fund (Measure I) internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's Building Fund (Measure I) internal control over financial reporting and compliance. Accordingly, this communication is not suitable for any other purpose.

Vannink, Tein, Day & Co., LLP

Rancho Cucamonga, California
December 12, 2015

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)**

**BALANCE SHEET
JUNE 30, 2015**

ASSETS

Deposits and investments	\$ 37,172,547
Accounts receivable	2,308
Total Assets	<u><u>\$ 37,174,855</u></u>

LIABILITIES AND FUND BALANCE

Liabilities:

Accounts payable	\$ 859,573
Due to other funds	2,728
Total Liabilities	<u><u>862,301</u></u>

Fund Balance:

Restricted for capital projects funds	36,312,554
Total Fund Balance	<u><u>36,312,554</u></u>
Total Liabilities and Fund Balance	<u><u>\$ 37,174,855</u></u>

The accompanying notes are an integral part of these financial statements.

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2015**

REVENUES

Bond Issuance	
Interest income	\$ 2,308
Total Revenues	<u>2,308</u>

EXPENDITURES

Current	
Salaries and benefits	11,410
Services	877,623
Total Expenditures	<u>889,033</u>

DEFICIENCY OF REVENUES OVER EXPENDITURES (886,725)

Other Financing Sources

Other sources (Bond proceeds)	<u>37,199,279</u>
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NET CHANGE IN FUND BALANCE	36,312,554
FUND BALANCE - BEGINNING	<u>-</u>
FUND BALANCE - ENDING	<u><u>\$ 36,312,554</u></u>

The accompanying notes are an integral part of these financial statements.

CONEJO VALLEY UNIFIED SCHOOL DISTRICT BUILDING FUND (MEASURE I)

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Conejo Valley Unified School District's (the District) Building Fund (Measure I) conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants. The Conejo Valley Unified School District Building Fund accounts for financial transactions in accordance with the policies and procedures of the California School Accounting Manual.

Financial Reporting Entity

The financial statements include only the Building Fund of the Conejo Valley Unified School District used to account for Measure I projects. This Fund was established to account separately for proceeds from the sale of bonds (*Education Code* Section 15146) and may not be used for any purposes other than those for which the bonds were issued. These financial statements are not intended to present fairly the financial position and results of operations of the Conejo Valley Unified School District in compliance with accounting principles generally accepted in the United States of America.

Fund Accounting

The operations of the Building Fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Resources are allocated to and accounted for in the fund based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Basis of Accounting

The Building Fund is accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources.

Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. The District's governing board adopts an operating budget no later than July 1 in accordance with State law. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements. The Board revises this budget during the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Encumbrances

The District utilizes an encumbrance accounting system under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrances are liquidated when the commitments are paid and all outstanding encumbrances lapse at June 30.

Fund Balances - Governmental Funds

As of June 30, 2015, fund balances of the governmental funds are classified as follows:

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Spending Order Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board has provided otherwise in its commitment or assignment actions.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - INVESTMENTS

Policies and Practices

The District is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the State; U.S. Treasury instrument; registered State warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreement; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security, and collateralized mortgage obligations.

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Investment in County Treasury

The District is considered to be an involuntary participant in an external investment pool as the District is required to deposit all receipts and collections of monies with their County Treasurer (*Education Code* Section 41001). The fair value of the District's investment in the pool is reported in the accounting financial statement at amounts based upon the District's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

	Amortized Cost	Fair Value
Ventura County Investment Pool	<u>\$ 37,172,547</u>	<u>\$ 37,137,045</u>

General Authorizations

Limitations as they relate to interest rate risk, credit risk, and concentration of credit risk are indicated in the schedules below:

Authorized Investment Type	Maximum Remaining Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The District manages its exposure to interest rate risk by investing in the County Pool. The District maintains a Building Fund investment of \$37,172,547 with the Ventura County Investment Pool. The fair value of this investment is approximately \$37,137,045 with an average maturity of 295 days.

NOTE 3 - ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2015, consisted of the following:

Other local sources	<u><u>\$ 2,308</u></u>
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NOTE 4 - ACCOUNTS PAYABLE

Accounts payable at June 30, 2015, consisted of the following:

Construction	<u><u>\$ 859,573</u></u>
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SUPPLEMENTARY INFORMATION

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)**

**SCHEDULE OF LONG-TERM OBLIGATIONS
JUNE 30, 2015**

General Obligation Bonds, Election of 2014, Series A

In June 2015, the District issued \$37,199,279 principal amount of the General Obligation Bonds Election of 2014, Series A. The bonds were issued as capital appreciation bonds, with the capital bond principal accreting interest to a maturity value of \$55,670,000. The bonds mature through August 1, 2030, with interest rates from 2.78 to 5.56 percent. Proceeds from the sale of the bonds were used to finance specific construction and modernization projects approved by the voters and pay costs of issuance of the bonds. At June 30, 2015, the principal balance outstanding was \$37,219,198.

Debt Service Requirements to Maturity

The bonds mature through 2031, as follows:

Fiscal Year	2014 CAB Bonds	
	Principal Including Accreted Interest	Future Interest Accretion
2016	\$ -	\$ 685,662
2017	-	1,483,224
2018	-	1,543,683
2019	-	1,606,705
2020	-	1,672,403
2021-2025	18,467,054	7,257,937
2026-2030	15,834,728	3,979,341
2031	2,917,416	221,847
Total	\$ 37,219,198	\$ 18,450,802

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)**

**RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH
AUDITED FINANCIAL STATEMENTS
JUNE 30, 2015**

There were no adjustments to the Unaudited Actual Financial Report, which required reconciliation to the audited financial statements at June 30, 2015.

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)**

**NOTE TO SUPPLEMENTARY INFORMATION
JUNE 30, 2015**

NOTE 1 - PURPOSE OF SCHEDULES

Schedule of Long-Term Obligations

This schedule provides a debt repayment schedule associated with the bond proceeds received through issuance of Building Fund (Measure I) obligations.

Reconciliation of Annual Financial and Budget Report With Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balance of the Building Fund (Measure I) reported on the Unaudited Actual Financial Report to the audited financial statements.

INDEPENDENT AUDITOR'S REPORT



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Governing Board and
Citizens Oversight Committee
Conejo Valley Unified School District
Thousand Oaks, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the accompanying financial statements of the Conejo Valley Unified School District (the District) Building Fund (Measure I), as of and for the year ended June 30, 2015, and the related notes of the financial statements, and have issued our report thereon dated December 12, 2015.

As discussed in Note 1, the financial statements present only the Building Fund specific to Measure I, and are not intended to present fairly the financial position and changes in financial position of Conejo Valley Unified School District in accordance with accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Conejo Valley Unified School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Conejo Valley Unified School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Conejo Valley Unified School District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be, significant deficiencies, or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Conejo Valley Unified School District's Building Fund (Measure I) financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Vannink, Tein, Day & Co., LLP

Rancho Cucamonga, California
December 12, 2015

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)**

**FINANCIAL STATEMENT FINDINGS
JUNE 30, 2015**

None reported.

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
JUNE 30, 2015**

There were no audit findings reported in the prior year's schedule of financial statement findings.

CONEJO VALLEY UNIFIED SCHOOL DISTRICT

**BUILDING FUND (MEASURE I)
PERFORMANCE AUDIT**

JUNE 30, 2015

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)**

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JUNE 30, 2015**

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INDEPENDENT AUDITOR'S REPORT ON PERFORMANCE

Governing Board and
Citizens Oversight Committee
Conejo Valley Unified School District
Thousand Oaks, California

We were engaged to conduct a performance audit of the Conejo Valley Unified School District (the District) Building Fund (Measure I) for the year ended June 30, 2015.

We conducted this performance audit in accordance with the standards applicable to performance audits contained in *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 conclusions based on our audit objectives.

Our audit was limited to the objectives listed within the report which includes determining the District's compliance with the performance requirements as referred to in Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution. Management is responsible for the District's compliance with those requirements.

In planning and performing our performance audit, we obtained an understanding of the District's internal control in order to determine if the internal controls were adequate to help ensure the District's compliance with the requirements of Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution, but not for the purpose of expressing an opinion of the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

The results of our tests indicated that the District expended Building Fund (Measure I) funds only for the specific projects approved by the voters, in accordance with Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution.

Vavrinek, Trine, Day & Co., LLP

Rancho Cucamonga, California
December 12, 2015

CONEJO VALLEY UNIFIED SCHOOL DISTRICT BUILDING FUND (MEASURE I)

JUNE 30, 2015

AUTHORITY FOR ISSUANCE

The Bonds were issued pursuant to the provisions of the California *Education Code* commencing with Section 15264 and pursuant to resolutions adopted by the Board of Trustees of the District, and by the Board of Supervisors of the County. The District received authorization at an election held on November 4, 2014, by 55 percent of the votes cast by eligible voters within the district, to issue \$197,000,000 of General Obligation Bonds. The Bonds represent the first series of bonds issued under the Authorization.

PURPOSE OF ISSUANCE

The General Obligation Bond funds of the Conejo Valley Unified School District will be used to "upgrade and maintain Conejo Valley Schools with funding that cannot be taken by the state, shall Conejo Valley Unified School District upgrade all science and career training labs, update and maintain classroom technology and network infrastructure, provide safe, well maintained classrooms, repair and replace electrical, plumbing and roofing, repair, construct, acquire and equip sites and facilities and improve school safety and security by issuing \$197 million in bonds, at legal rates, with citizens' oversight, annual audits, no money for administrators, and without increasing current tax rates".

AUTHORITY FOR THE AUDIT

In November 2014 the voters of Conejo Valley Unified School District overwhelmingly approved Measure I, a \$197 million general obligation bond to support technology and facilities improvements. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by school districts, community college districts, or county offices of education, "for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of rental property for school facilities", upon approval by 55 percent of the electorate. In addition to reducing the approval threshold from two-thirds to 55 percent, Proposition 39 and the enacting legislation (AB 1908 and AB 2659) requires the following accountability measures as codified in *Education Code* Sections 15278-15282:

1. Requires that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b)(3)(C) of the California Constitution, and not for any other purpose, including teacher and administrator salaries and other school operating expenses.
2. The school district must list the specific school facilities projects to be funded in the ballot measure, and must certify that the governing board has evaluated safety, class size reduction and information technology needs in developing the project list.
3. Requires the school district to appoint a citizen's oversight committee.
4. Requires the school district to conduct an annual independent financial audit and performance audit in accordance with the *Government Auditing Standards* issued by the Comptroller General of the United States of the bond proceeds until all of the proceeds have been expended.
5. Requires the school district to conduct an annual independent performance audit to ensure that the funds have been expended only on the specific projects listed.

CONEJO VALLEY UNIFIED SCHOOL DISTRICT BUILDING FUND (MEASURE I)

JUNE 30, 2015

OBJECTIVES OF THE AUDIT

1. Determine whether expenditures charged to the Building Fund have been made in accordance with the bond project list approved by the voters through the approval of Measure I.
2. Determine whether salary transactions, charged to the Building Fund were in support of Measure I and not for District general administration or operations.

SCOPE OF THE AUDIT

The scope of our performance audit covered the period of July 1, 2014 to June 30, 2015. The population of expenditures tested included all 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 proceeds of the bonds, were not included within the scope of the audit. Expenditures incurred subsequent to June 30, 2015, 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 the period July 1, 2014 through June 30, 2015, for the Building Fund (Measure I). Within the fiscal year audited, we obtained the actual invoices and other supporting documentation for a sample of expenditures to ensure compliance with the requirements of Article XIII A, Section 1(b)(3)(C) of the California Constitution and Measure I as to the approved bond projects list. We performed the following procedures:

1. We selected a sample of expenditures for the period starting July 1, 2014 and ending June 30, 2015, and reviewed supporting documentation to ensure that such funds were properly expended on the specific projects listed in the ballot text.
2. Our sample included 11 transactions totaling \$751,268. This represents 85 percent of the total expenditures of \$889,033, including expenditures related to transferred funds.
3. We verified that funds from the Building Fund (Measure I) were generally expended for the construction, renovation, furnishing and equipping of District facilities constituting authorized bond projects.

CONCLUSION

The results of our tests indicated that, in all significant respects, the Conejo Valley Unified School District has properly accounted for the expenditures held in the Building Fund (Measure I) and that such expenditures were made for authorized Bond projects.

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015**

None reported.

**CONEJO VALLEY UNIFIED SCHOOL DISTRICT
BUILDING FUND (MEASURE I)**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015**

There were no audit findings reported in the prior year's schedule of financial statement findings.