

Anaheim Union High School District

Citizens' Oversight and Accountability of Measure H



Presented by Lori Raineri and Keith Weaver
July 15, 2015

Introductions

Committee Members

- ◆ Carolyn Cavechi
- ◆ Jesse Cervantes
- ◆ Steve Hwangbo
- ◆ Larry Larsen
- ◆ Robert Nelson
- ◆ Claudia Perez
- ◆ Patricia Rich
- ◆ Yesenia Rojas
- ◆ Rick Tkach
- ◆ Alan Walker

District Staff

- ◆ Dianne Poore, Asst. Supt. of Business
- ◆ Patty Neely, Director of Facilities
- ◆ Bruce Saltz, Controller
- ◆ Sylvia Dominguez, Executive Assistant

Financial Advisors

- ◆ Lori Raineri
- ◆ Keith Weaver



Tonight's Agenda

◆ **Introduction to Oversight**

◆ **Bond Financing Plan**

◆ **Facilities Plan**



Oversight and Accountability

◆ What is the purpose of a citizens' oversight committee?

“The purpose of the citizens' oversight committee shall be to inform the public concerning the expenditure of bond revenues”

-Education Code Section 15278 (b)

◆ What are the goals of the oversight committee?

- ▶ **Ensure bond funds are spent only on the proper purposes.**
- ▶ **Ensure no funds are used for teacher or administrative salaries or other school operating expenses.**



n 15278 (b)(1)&(2)

How is Oversight Accomplished?

- ◆ **The California League of Bond Oversight Committees has a guide of 94 standards that include both legal requirements and best practices on how to conduct oversight**



- ◆ **Some of the primary methods include:**
 - ▶ **Review of performance audits (projects)**
 - ▶ **Review of financial audits (dollars)**
 - ▶ **Inspect school facilities and grounds**
 - ▶ **Issue reports on the results of activities**
 - ▶ **Advise the Board of Trustees and the community**



Mission: Review

◆ What to review?

- ▶ Bond expenditures
- ▶ Performance audit
- ▶ Financial audit



◆ What to compare against?

- ▶ Bond measure
- ▶ Bond project list

◆ Tips for reviewing:

- ▶ What does each document tell you?
- ▶ How are the documents prepared?
- ▶ Audits are annual and to be provided by March 31 following the Fiscal Year.
- ▶ Responses to audit findings must be provided within 3 months.



Measure H Documents

◆ Bond measure:

“To improve neighborhood schools, by repairing classrooms and labs, including leaky roofs, decaying walls, deteriorating restrooms, and accessibility for disabled students; upgrading basic infrastructure and utilities, including drinking water, sewer, and gas; enhancing safety and security, including fire safety and security systems; and acquiring, upgrading, and constructing 21st century classrooms, schools, sites, and support facilities, shall Anaheim Union High School District issue \$249 million of bonds at legal rates, with audits, citizen oversight, and no funds for administrator salaries?”

◆ Project list:

**FULL TEXT OF MEASURE H
ANAHEIM UNION HIGH SCHOOL DISTRICT**

The following is the full proposition presented to the voters by the Anaheim Union High School District.

“To improve neighborhood schools, by repairing classrooms and labs, including leaky roofs, decaying walls, deteriorating restrooms, and accessibility for disabled students; upgrading basic infrastructure and utilities, including drinking water, sewer, and gas; enhancing safety and security, including fire safety and security systems; and acquiring, upgrading, and constructing 21st century classrooms, schools, sites, and support facilities, shall Anaheim Union High School District issue \$249 million of bonds at legal rates, with audits, citizen oversight, and no funds for administrator salaries?”

PROJECT LIST FOR THE CLASSROOM AND SCHOOL SAFETY BOND MEASURE

The following are the projects that may be financed with proceeds of the bonds:

Repair and Upgrade Classrooms and Buildings, including roofs, walls, windows, doors and hardware, floors, ceilings, and accessibility for disabled facilities.

Basic Infrastructure and Utilities, including site and building plumbing, sewer, gas, electrical, water, storm drainage, HVAC systems, energy efficiency systems and controls, restrooms, and the financing of such upgrades.

Safety and Security, including fire safety systems, security systems, emergency communication systems, lighting, school entry and access areas, locks, parking and transportation areas, fencing, and earthquake retrofitting.

Removal of Hazardous Materials, such as asbestos and lead.

21st Century Learning Classroom Improvements, including furniture and equipment to allow for student collaboration, teamwork, and interactive learning methods.

Classroom Construction for education including career and technical education, science, technology, engineering, arts, and math education, instructional labs, and facilities.

Physical Education Facility Repairs, for outdoor education and student collaboration.

Outdoor Learning Courts and Courts, for outdoor education and student collaboration.

Landscaping and Terrace Improvements and Features, including landscaping and equipment to serve meals to students, and shelters for students in hot lunch.

Food Service Improvements, including constructing and upgrading facilities and equipment to serve meals to students, and shelters for students in hot lunch.

Student and Staff Support Facilities, including libraries, student union, student services, and administration facilities.

Emergency Acquisition, for the purpose of expanding covered outdoor sites.

The following sites are planned to receive some of the improvements described above:

- Anaheim High School
- Bali Junior High School
- Brookhurst Junior High School
- Cypress High School
- Dale Junior High School
- District Campus
- Hope School / Gilbert West
- Kanata High School
- Kennedy High School
- Lexington Junior High School
- Lucas High School
- Magnolia High School
- Orangeview Junior High School
- Oxford Academy
- Savanna High School
- South Junior High School
- Sycamore Junior High School
- Tolbert Education Center (Gilbert High School, Polaris High School, and Community Day School - I.C.)

- Walker Junior High School
- Western High School
- Potential New Sites

In preparing the list of projects, the District has evaluated safety, class size reduction, and informational technology needs.

In addition to the sites listed above, the District may acquire, renovate, upgrade, construct, furnish and equip facilities at other locations.

Each project is assumed to include its share of architectural, engineering, and/or planning costs, program management, project construction management, a contingency for unforeseen circumstances, off-utility connection costs, and utility financing. Projects also may include the payment of the cost of inspection of all facility planning, facility assessment reviews, environmental studies, construction documentation, plan check, inspection and permit fees, and the acquisition of improvements on the project list that previously have been financed or will be financed in the future, through temporary loans, leases, lease-purchase, or lease-purchase arrangements. Also included are the costs of demolition and reconstruction of existing facilities currently scheduled for modernization, if the Board of Trustees determines that such an approach would be a more cost effective solution.

The District is eligible to receive State matching funds and intends to aggressively pursue State funding. In the absence of such funding, improvements at each school may be affected and the District will not be able to perform some of the projects listed above.

The budget for each project is an estimate and may be affected by factors beyond the District's control. The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain projects described above may be delayed or may not be undertaken.

Bond proceeds shall be expended only for the specific purposes identified herein. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to the bond projects. The District shall create an account into which proceeds of the bonds shall be deposited and comply with the reporting requirements of Government Code § 53410.

Fiscal Accountability: In accordance with Education Code § 15272, the Board of Trustees has established a citizens' oversight committee and will conduct annual independent audits to ensure that funds are spent only on the list of projects authorized above and for no other purpose. The expenditures of bond proceeds on these projects is subject to stringent financial accountability requirements. By law, performance and financial audits will be performed annually, and all bond expenditures will be monitored by an independent citizens' oversight committee. The citizens' oversight committee shall include at least seven members, with the following qualifications: one member active in a business organization, one member active in a labor/teachers' organization, one member active in a union, one member active in a parent-teacher organization, District employees, vendors, contractors and consultants may not serve on the citizens' oversight committee.

No Administrator Salaries: Proceeds from the sale of the bonds authorized by this proposition shall be used only for the acquisition, renovation, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities, and no other purpose. No funds will be used toward teacher or administrator salaries or other operating expenses.

Mission: Report

◆ What to report?

▶ Conclusions based on review of:

- Bond expenditures
- Performance audit
- Financial audit

▶ Advise public on compliance with proper expenditures.



◆ Tips for reporting:

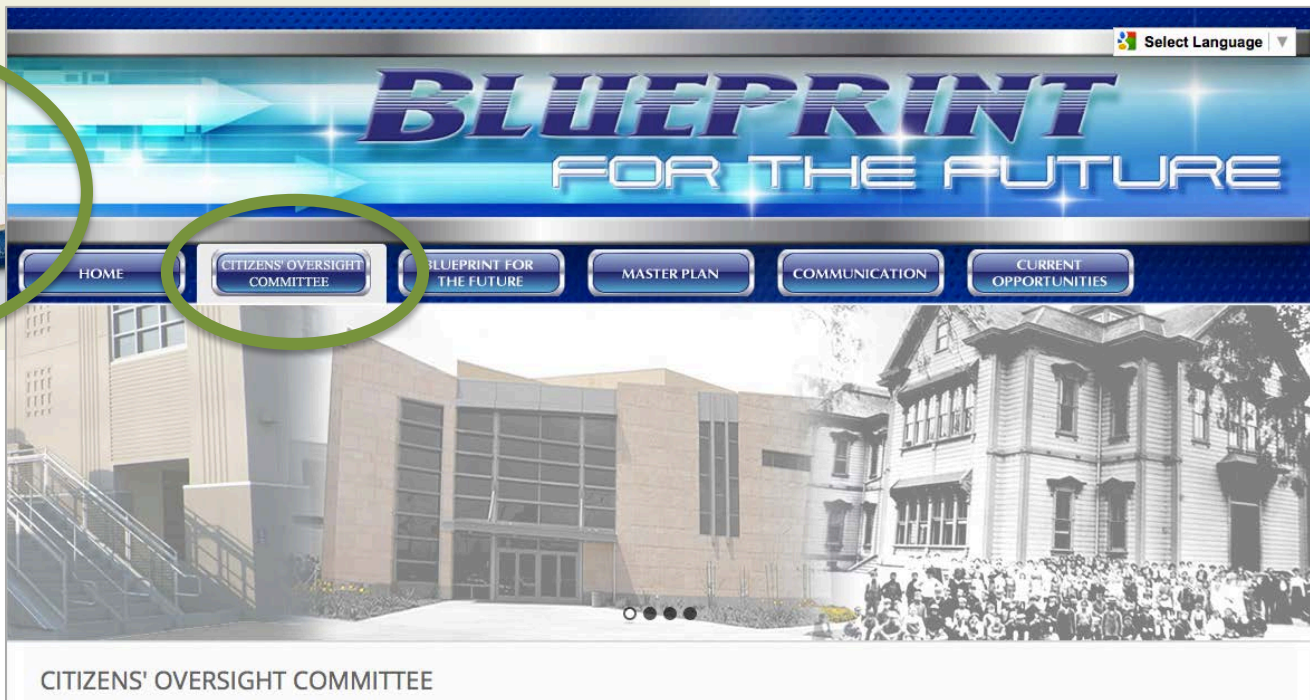
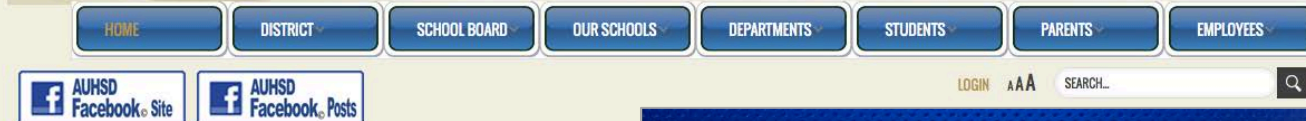
▶ Report to the community annually.

▶ Typical venue is at the Board of Trustees meeting.

▶ Post on the District's website:

- Meeting minutes
- Documents received
- Annual report

Reporting on District's Website



Many Accountability Measures

- ◆ **There are many accountability measures in the Education Code that include participation from:**
 - ▶ **Citizens' Oversight Committee**
 - ▶ **Taxpayers**
 - ▶ **Court officials**
 - ▶ **Law enforcement officials**



Oversight Should Aid Accountability

- ◆ Procedures should be oriented to meeting the letter of the law as well as being meaningful in terms of improving results by some measure.
- ◆ Procedures should be documented and periodically reconsidered.
- ◆ Procedures should be written by the Oversight Committee and District staff, together.
 - ▶ This will help to avoid technical violations of archaic rules.
- *Oversight should be made feasible.*
- *Oversight effort should produce an improved outcome for students, parents, community members, and taxpayers.*
- *Tonight's agenda includes time to shape your*

Our Guide: Facilities Master Plan (FMP)

1.1 OVERVIEW PURPOSE OF THIS DOCUMENT

A Facilities Master Plan (FMP) is strategic in nature. It identifies a vision for the next 10 to 15 years. The site master plans (refer to Section 7) provide a graphic representation of this vision for each site. It is important to note that the individual school site master plan is not a design but rather a plan for the future improvement of the District's facilities infrastructure in support of the educational program goals for increased student outcomes and achievement of Anaheim Union High School District (AUHSD).

The plan shows a general path of how to get to the goal, but it does not provide specific design solutions. It represents long range improvement recommendations and is a tool in establishing probable cost for the FMP. The costs developed as part of this document can be utilized as a tool by the District for planning purposes, to run program phasing scenarios, as funding becomes available.

As funding becomes available and projects move forward, design teams (architects and engineers) will plan individual aspects of the projects recommended in the FMP. At that time, a school site Design Committee should be assembled to meet with the design team and provide input on the design of the individual elements of the plan. The plans that result from the more detailed design phase process may vary from the concept shown in the FMP plan, but should be a reflection of the program elements identified through the FMP process.

The site master plans are not based on detailed site surveys, such as coordination of existing utility locations, soils reports and detailed code studies. That level of analysis will be completed during the design phase when projects are implemented. It is also likely that the projects listed in the FMP will be addressed incrementally, not as one large comprehensive project. Therefore, it is important when designing individual projects of the plan, they are planned in such a way that future projects can be realized and that each project can stand on its own without negatively impacting operation of the school. As projects are developed over time, the FMP should be revisited and updated so that it reflects the changing needs of the District. This update process is recommended by the California Department of Education (CDE) to occur on a 3-5 year cycle.

Today the economic conditions and changing demographics are affecting how schools are being planned, designed and managed. The purpose of the FMP is to define the long-range goals for facility planning that support the educational goals of the District which ultimately aids in decision making so that school facility improvements move toward a common, coordinated vision. The FMP is intended to be a guideline to allow sites to maintain flexibility as enrollment and programs change.

The following diagram illustrates the primary components of the FMP process that were finalized for AUHSD.

FOUR PILLARS OF THE MASTER PLAN

- DEMOGRAPHICS REVIEW**
 - Enrollment Trends & Projections
 - Leading Standards
 - Site Capacities
 - Attendance Boundaries
- FINANCIAL & FUNDING SOURCE ANALYSIS**
 - State Expenditure
 - Alternate Funding Sources
 - Local Revenue
 - Cost/Price Analysis
- EDUCATIONAL VISION**
 - Program Goals
 - Educational Standards
 - Technology Plan
 - Community Needs
- FACILITIES ASSESSMENTS & STANDARDS**
 - Field Observation Surveys
 - Maintenance Needs
 - Health/Life Safety Issues
 - Code/ADA Compliance
 - Technical Standards

OVERALL VISION

FACILITIES MASTER PLAN RECOMMENDATIONS

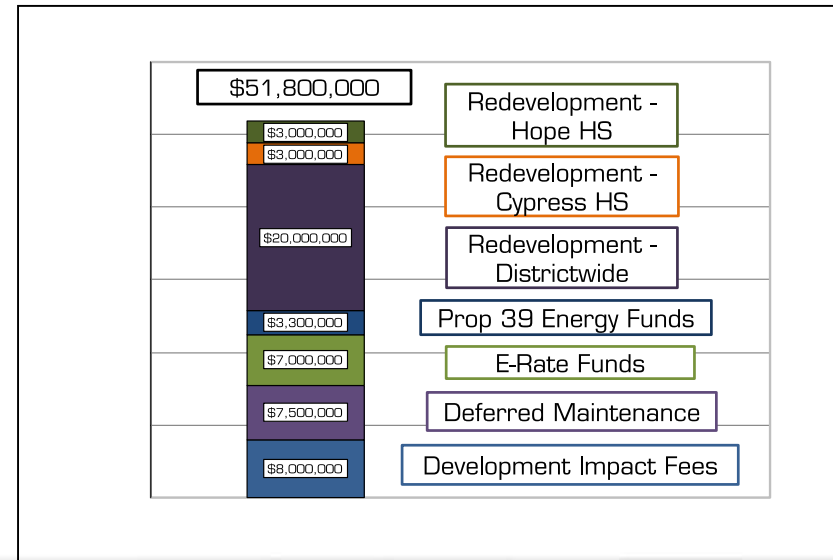
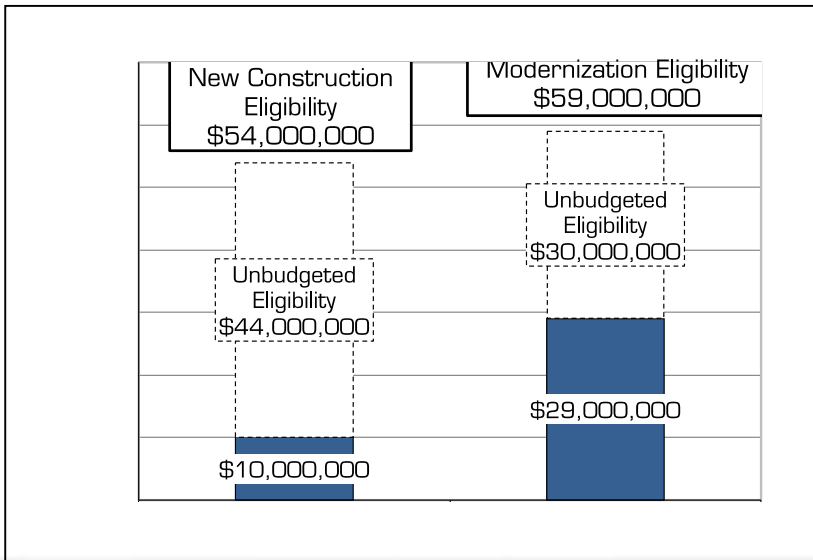
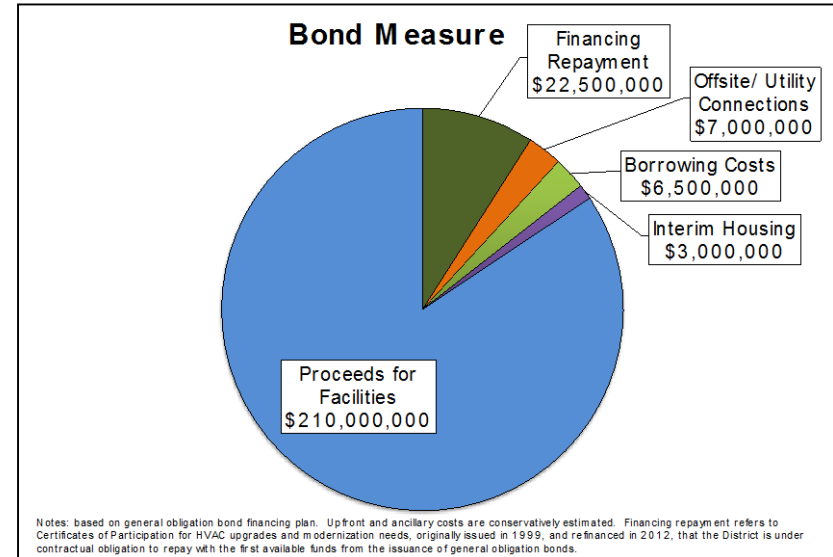
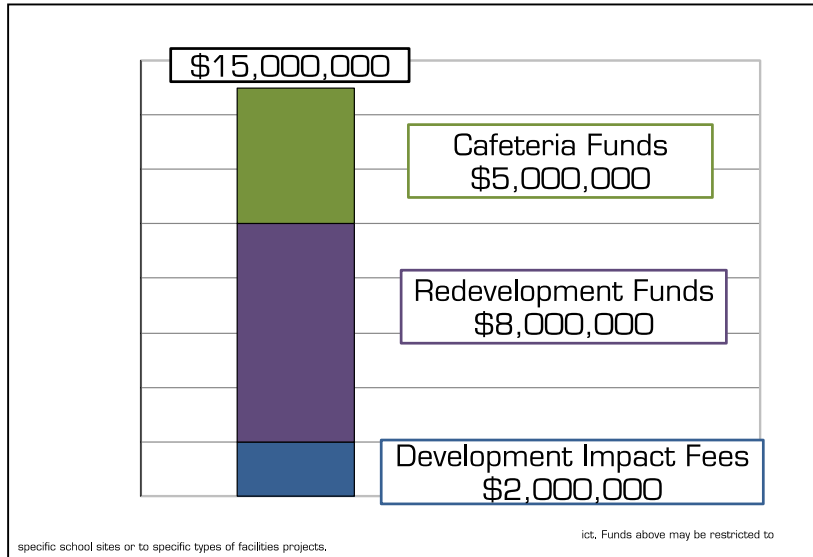
- School Site Master Plan Diagrams
- Proposed Projects
- Probable Cost Estimate
- Scope Prioritization

ANAHEIM UNION HIGH SCHOOL DISTRICT
Facilities Master Plan

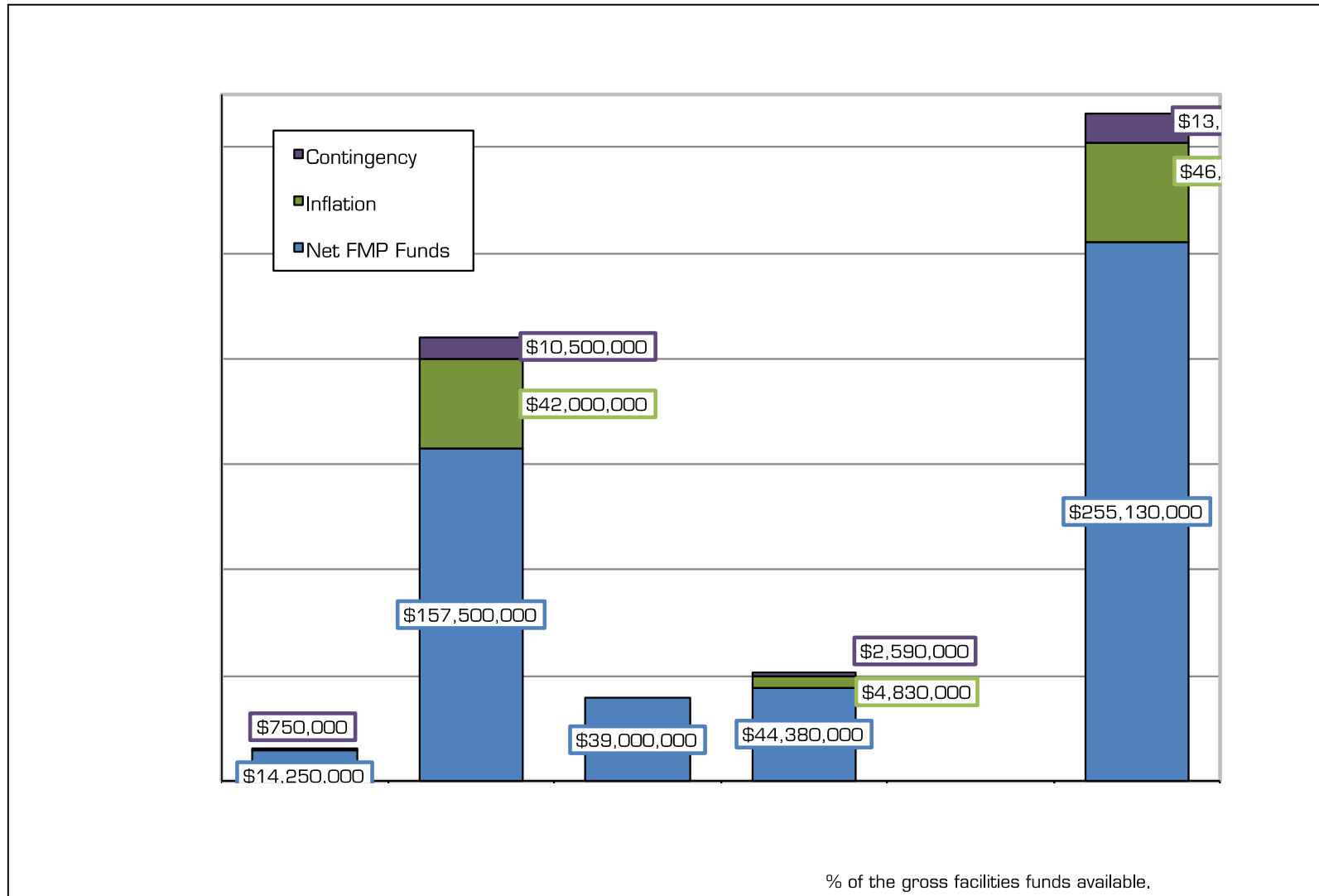
SECTION 1
OVERVIEW

July 2014
Page 3
I.P.A.

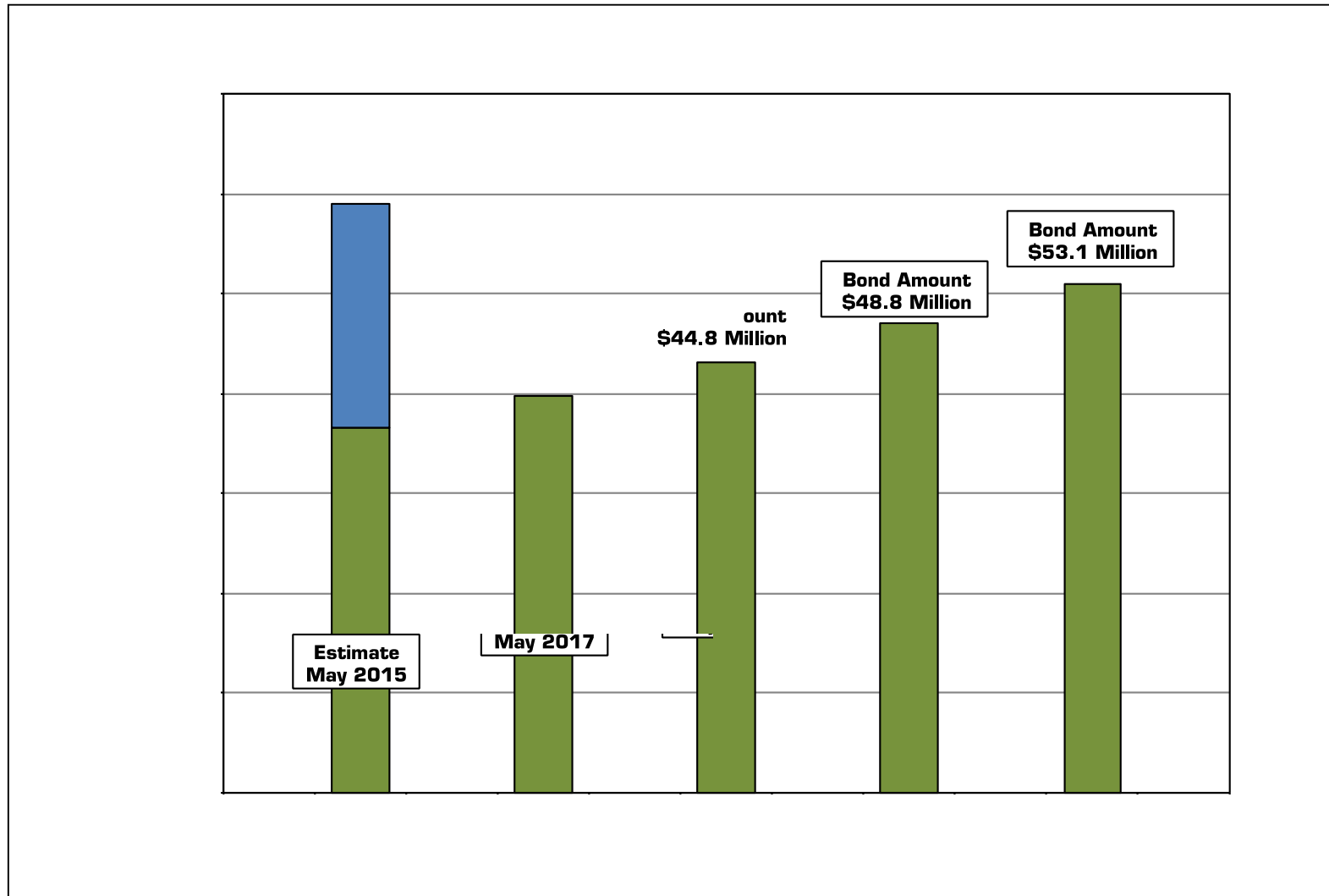
FMP Budget Comes from Many Sources



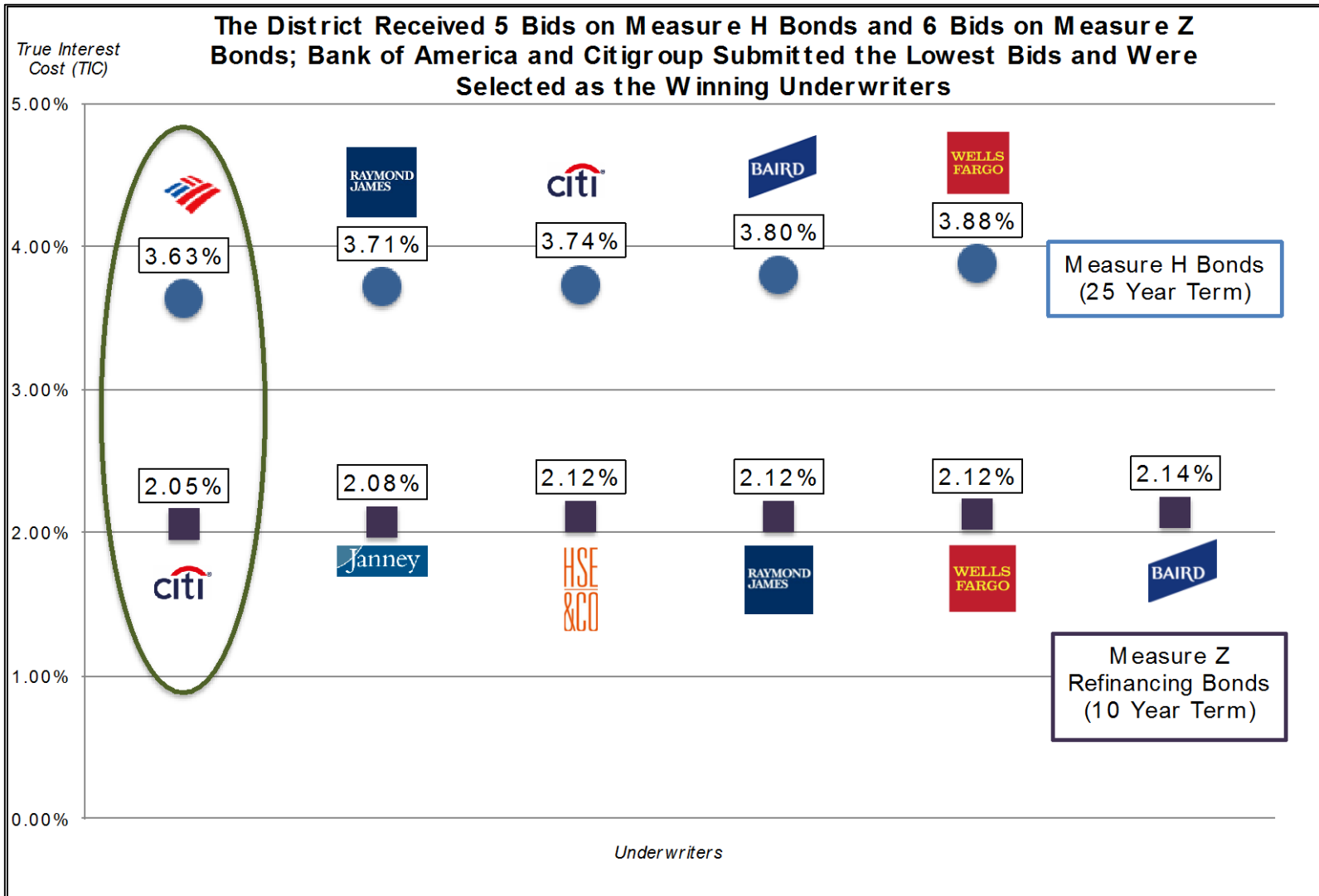
\$255 Million FMP Budget Over 10 Years



Election Planning: Bond Financing Plan



Bid Results

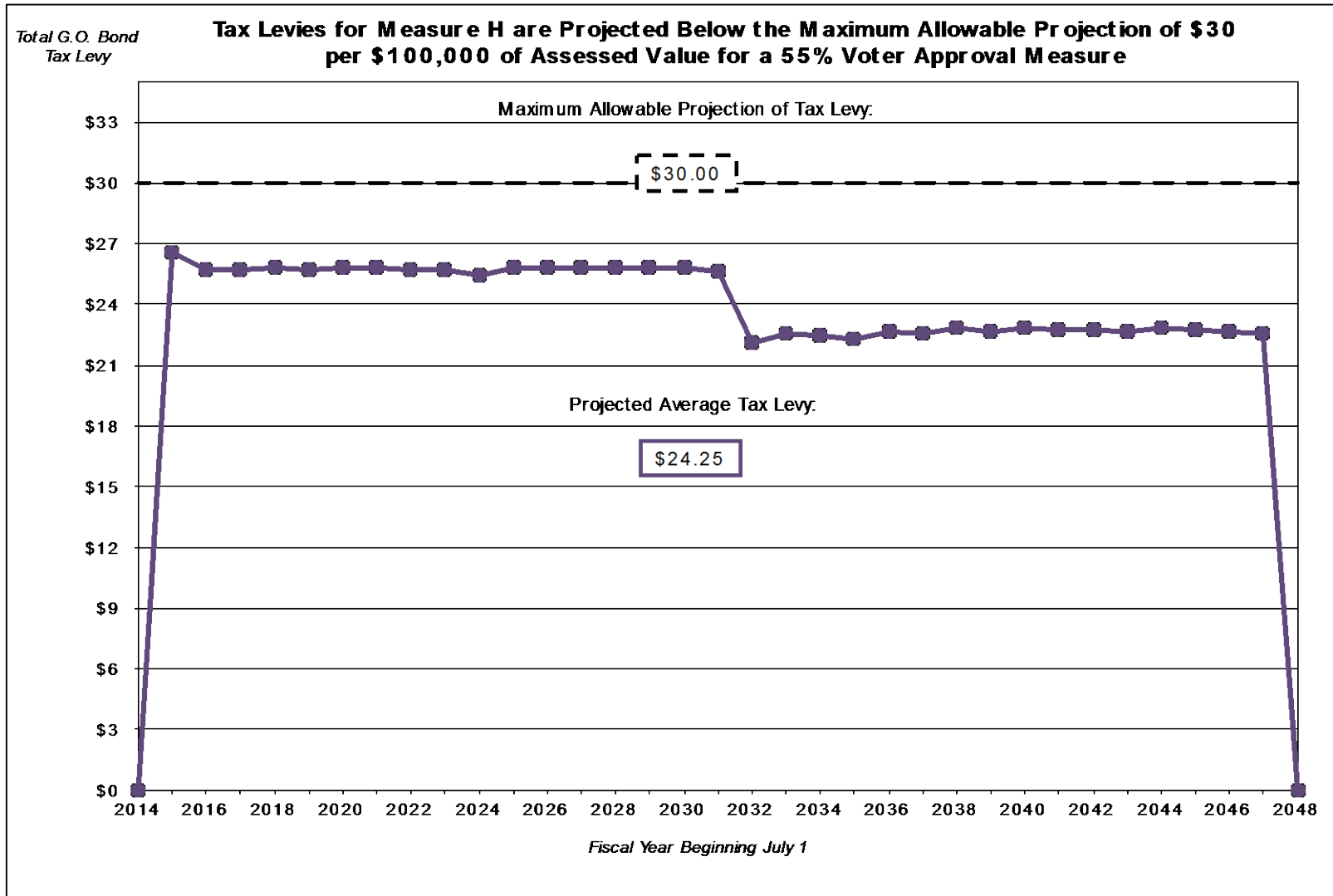


Lower Costs → More \$ for Facilities

	<u>Budgeted Funds</u>		<u>Result</u>
Facilities Funds	\$36,500,000	\$43,064,110	\$6.5 Million Better than Budget
COP Repayment	\$22,500,000	\$19,883,506	\$2.6 Million Below Budget
Upfront Costs	\$1,781,140	\$507,384	\$1.2 Million Below Budget
Total Bonds	\$61,100,000	\$63,455,000	\$2.3 Million Better than Budget

- ✓ ***A strong bidding environment, lower interest costs, and lower upfront costs allowed the District to issue more bonds and generate more funds for facilities.***

Estimated Measure H Tax Levies



Preliminary Phase 1 Facilities Projects

Facilities Projects Under Consideration

Funding Sources Under Consideration

Campus-Specific Projects

Lincoln Property - Anaheim High School	Developer Fees
Katella High School	Measure H, E Rate, DROPS
Dale Junior High School	Measure H, Developer Fees, E Rate, Deferred Maintenance
Central Kitchen - Dale Junior High School	Redevelopment, Cafeteria

Add'l District-wide Projects

Safety/Security	Measure H, Redevelopment
21st Century Furniture	Measure H
Parking Lots (Starting w/ Cypress)	Measure H
Telephony	Measure H



Next Steps

- ◆ **Mission: Review and Report**
- ◆ **Develop Written Procedures**
- ◆ **Periodic Meetings**
 - ▶ **Frequency?**
 - ▶ **Record meeting minutes**
 - ▶ **Post materials on District website**
- ◆ **Annually:**
 - ▶ **Review performance audit**
 - ▶ **Review financial audit**
 - ▶ **Prepare annual report**
- ◆ **Next Meeting: _____**

