

San Diego Taxpayers Educational Foundation

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School Bond Transparency In San Diego County

SUMMARY REPORT

July 2016

The San Diego Taxpayers Educational Foundation (SDTEF) conducts research on issues relevant to taxpayers including transparency. Taxpayers should be able to quickly determine if new libraries, new pools, and new classrooms, for example, that school district officials promised to voters while pitching the bond have been built. In many districts, this information is easier to find today than it has been in the past. This report is intended to provide tools for San Diego County school districts to use in the ongoing process of improving transparency with respect to school facilities bond programs.

While there are many criteria that go into making a school facilities bond program effective, the scope of this study focuses solely on transparency – the accessibility of information that makes it possible for taxpayers to assess the performance of school facility bond programs. This study is the most recent update of the SDTEF 2007 study. It focuses on the transparency of currently and recently active school facility bond programs' Independent Citizen Oversight Committees (ICOC). From this original study, SDTEF has created the San Diego County Taxpayers Association's "Oversight Committee Best Practices," by which to appraise the transparency of ICOCs. In 2013, SDTEF released a scorecard evaluating school districts based on these practices.

The Transparency Scorecard summarizes the findings of this study by providing an accounting of information made available by school districts. **The Transparency Scorecard only makes note of the existence of the criteria examined and does not comment on the quality of the material available or the ease of access.**

Overall, the findings are positive. In fact, there has been marked improvement since the last update to this study in 2015. Of the 24 school districts examined, only three failed to meet at least 65 percent of the criteria examined. Further, 17 school districts met over 85 percent of the categories. While the overall performance of school districts in regards to transparency was

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good, there is still ample room for improvement. An area of concern remains to be the failure to post additional meeting materials online and include additional recommendations in the auditor's report.

There were six districts evaluated that had released final reports in which they indicated that construction had been completed before 2015 or that remaining bond funds had not been issued, so the "2015 Report/Audit Information Provision" criteria did not count against their score.

With this in mind, SDTEF offers four recommendations to best address continuing school bond transparency problems.

Recommendation #1: Regularly update all information on the ICOC's website including posting up to date audits and financial reports. Access to up to date information is vital to transparency. Websites should be updated frequently to reflect the most accurate information. Audits and financial reports should be available in a more timely fashion.

Recommendation #2: Make all meeting materials available on the ICOC's website. Simply including a record of agendas and meeting minutes is not enough to properly inform the public, even if those meeting minutes include some description of additional materials distributed during meetings. All reports and presentations given in ICOC meetings are important because they usually contain the most relevant information regarding the construction of projects and current costs. Furthermore, omitting meeting materials is in violation of Assembly Bill 1908, which reads, in part, "all documents received and reports issued [by or to an ICOC] shall be a matter of public record and be made available on an Internet website maintained by the governing board."

Recommendation #3: Performance audits should be conducted by auditors with demonstrated knowledge in project management and construction industry best practices. Some of the latest audits fail to truly evaluate the performance of a school district's facilities bond program. This is because the independent auditor who executes the performance audit is commonly the same auditor responsible for the financial audit. Auditors who are well versed in financial auditing are not necessarily knowledgeable in project management and/or construction. As such, auditors with performance audit expertise should be sought out to conduct performance audits rather than giving priority to the financial auditor.

Recommendation #4: Use the best established ICOCs as models when starting an ICOC. In order to properly establish themselves, new school districts and their ICOCs should turn not only to the San Diego County Taxpayers Association's "[Oversight Committee Best Practices](#)" but should also look toward the most transparent established ICOCs as models for success. By following the already established methods that have proven successful in other school districts, new ICOCs can more easily establish themselves as transparent.

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Description of Criteria

Committee Bylaws: A link to the committee bylaws is available on the ICOC website.

Member Information: A list of the names of all ICOC members is available on the ICOC website. **Meeting Minutes/Agendas:** Links to the most up to date meeting minutes and agendas are available on the ICOC websites.

Additional Meeting Material: Links to attachments, appendixes, presentations, and other additional materials for every ICOC meetings available on the ICOC website.

Annual Reports: A link to the Annual Reports available on the ICOC website.

Performance Audits: A link to separate Performance Audits available on the ICOC website, or under a separate heading within the Financial Audits.

Financial Audits: A link to the Financial Audit available on the ICOC website.

Project List: All projects currently being funded by the bond are listed on the ICOC website.

Project Descriptions: A brief written description of what each project is can be found on the ICOC website.

Project Progress: The current status and plan of action for each project can be found on the ICOC website.

Bond Background: A brief description of the bond, what it is intended for, when it was passed, and how much it was for.

Contact Information: The school district phone number and an email address of the ICOC point of contact is listed on the ICOC website.

Vacancies listed: Any committee vacancies or expected vacancies are listed on the ICOC website.

Number of Vacancies: The number of current ICOC committee vacancies, this does not reflect a SDCTA criteria, SDCTA recommends having no vacancies when possible.

2015 Reports Available: Are the 2015 Audits and Annual Reports available on the ICOC website, this criteria must be met in order to meet the criteria listed below.

Budget Overview: A breakdown of how the budget was allocated for the past year is found in the annual report.

Program Status Updates: An explanation of the current status of the bond program is found in the annual report.

Detailed Discussion of Projects: A detailed discussion about what was accomplished in the past year, and future plans for bond projects are found in the annual report.

Basic Financial Information: Basic financial information is can be found in the audit in accordance with general auditing standards.

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Expenditures Itemized by Project/ Site: All expenditures are itemized by project within the Financial Audit

Prop 39 Required Audit Findings: Audits fulfill the requirements set forth by Prop 39.

Additional Recommendations: There is a separate heading within the Audit called “Additional Recommendations,” or a clear list of recommendations by the Auditor is easily found within the Audit.

Detailed ICOC Member Information: Section includes member’s name, position, and contact information.

Project Progress Report: The current status of all projects, further work needs to be completed, and a general timeline for expected completion.

Audits Performed by Third Party: Audits are performed by an independent auditor in accordance with the law.

Performance Audits meet SDCTA Standards: [Oversight Committee Best Practice](#)

2016 SDTEF School Bond Transparency Scorecard

	GCCCD	GUHSD	SDCCD	CVUSD	SDUHSD	SDUSD	SWCCD	SMUSD	PCCD	SUHSD^	CUSD	EUSD^	CVESD	OUSD^	LGSD	SBUSD^	JUHSD^	DSD^	PUSD^	EUHSD^	LSUSD^	SSD^	VUSD^	LMSVSD^
Website Information Provision																								
Committee Bylaws	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	
Member Information	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Meeting Minutes/Agendas	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Additional Meeting Material	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y			Y	Y			Y		Y				Y
Annual Reports	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Performance Audits	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Financial Audits	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Project List	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y
Project Descriptions	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y			Y	Y	Y	Y	Y	Y
Project Progress	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y		Y				Y		Y	Y	Y	Y	Y
Bond Background	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y
Contact Information	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y
Vacancies Listed	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y		Y				Y		Y	Y	Y	Y	Y
Number of Vacancies	0	0	0	1	0	0	0		2	0	3	0		0		2			0	0	3	2	5	
2015 Reports and Audits Available	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N	N	N	N	N	N	N	N	N	N
2015 Report/ Audit Information Provision																								
Budget Overview	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y						
Program Status Updates	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y						
Detailed Discussion of Projects	Y	Y	Y	Y	Y	Y	Y				Y			Y	Y			Y						
Basic Financial Information	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y						
Expenditures Itemized by Project/ Site	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y						
Prop 39 Required Audit Findings	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y											
Additional Recommendations	0	Y	0	0	0	0	0	0	0	0	0	0	0											
Detailed ICOC Member Information	Y	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y							
Project Progress Report	Y	Y	Y	Y	Y	Y	Y	Y	Y		Y													
Audits Performed by Third Party	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y											
Performance Audits meet SDCTA Standards	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N	N	N	N	N	N	N	N	N	N
Points Out of 25	25/25	25/25	25/25	25/25	25/25	25/25	25/25	23/25	23/25	22/25	22/25	22/25	20/25	19/25	17/25	16/25	13/25	12/25	12/13	12/13	12/13	12/13	12/13	9/13
Transparency Grade	100%	100%	100%	100%	100%	100%	100%	92%	92%	88%	88%	88%	80%	76%	68%	64%	52%	48%	92%	92%	92%	92%	92%	69%
Change Since Previous Year	+	+	+	+	+	+	+	-	=	-	+	+	=	+	+	-	+	+	+	+	=	+	+	=

*Proposition passed since last update
^No annual reports have been issued to date

ABBREVIATION	DISTRICT NAME
GCCCD	Grossmont-Cuyamaca Community College District
GUHSD	Grossmont Union High School District
SDCCD	San Diego Community College District
CVUSD	Cajon Valley Union School District
SDUHSD	San Dieguito Union High School District
SDUSD	San Diego Unified School District
SWCCD	Southwestern Community College District
SMUSD	San Marcos Unified School District
PCCD	Palomar Community College District
SUHSD	Sweetwater Union High School District
CUSD	Carlsbad Unified School District
EUSD	Encinitas Union School District

ABBREVIATION	DISTRICT NAME
CVESD	Chula Vista Elementary School District
OUSD	Oceanside Unified School District
LGSD	Lemon Grove School District
SBUSD	South Bay Union School District
JUHSD	Julian Union High School District
DSD	Dehesa School District
PUSD	Poway Unified School District
EUHSD	Escondido Union High School District
LSUSD	Lakeside Union School District
SSD	Santee School District
VUSD	Vista Unified School District
LMSVSD	La Mesa-Spring Valley School District