

NEWARK UNIFIED SCHOOL DISTRICT

Citizens' Bond Oversight Committee

SPECIAL MEETING

Meeting Minutes from September 29, 2015

Those in attendance:

CBOC Members- Jack Dane, Casper Knoop, Theresa Miller, Cindy Parks, Marilyn Painter
NUSD Staff-Bryan Richards
Public/Guests-None

1.0 Call to Order

The meeting was called to order by Chairman Casper Knoop at 6:01 p.m.

2.0 Roll Call

Committee Members and those present utilized the sign-in sheet.

3.0 Update on Errors Found in the Bond Performance Audit of 2012-2013 and 2013-2014 Issued by Crowe Horwath LLP

Bryan Richards reported Crowe Horwath has started the process to amend the reports. Bryan addressed the reason for the California Financial Services Report along with the district's financial system. The reason being CFS report covers multi-year projects, but the district's financial system is only a single year system. Auditors pull from NUSD system not CFS.

4.0 Re-Issue Measure G Bond Program, Annual Report 2012-2013

There is still a difference between the financial amount reported in the Annual Report versus the California Financial Service Report dated 7/1/13. Bryan Richards explained June work must be paid in that fiscal year, therefore, they don't close the books until September 15 each year.

Cindy Parks motioned, Jack Dane seconded: Request the district provide an updated California Financial Report at closing, plus re-issue the Performance Audit. The motion passed, 5 AYES. (Jack Dane, Cindy Parks, Marilyn Painter, Theresa Miller, Cary Knoop)

5.0 Measure G Bond Program, Annual Report 2013-2014

5.1 Presentation of the Annual Report by the Ad-Hoc Subcommittee

The sub-committee listed several items that are inconsistencies from one report to the next. For example:

*In the 2013-2014 Performance Report the Methodology doesn't match
The California Financial Service report doesn't match year-end spreadsheet
Naming of projects
Bond Issuance cost
Vanir Project Report in the Annual Report vs. California Financial Report*

Cary Knoop distributed a different Annual Report than the one drafted by the district. A new section was added with Findings and Concerns, along with Recommendations. He spoke about the sub-committee's frustration with inaccurate/inconsistent information.

Theresa Miller left at 7:06p.m.

Cary handed out a copy of the slide presentation to be given to the Board of Education. A question was raised about the cost for CFS. Apparently, the contract was for a lesser amount upfront and years cost was a balloon payment year. Bryan Richards is in the middle of re-negotiating the contract. Bryan will supply corrected financial information. Cary Knoop questioned the Overtime for the WiFi Project. Bryan Richards confirmed it was a one-time expense.

5.2 Approve the Following Text:

Based on the review and observations of the Citizens' Bond Oversight Committee, we find that the Newark Unified School District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution and that funds are being used for the purposes specified in the ballot language.

5.3 Approve the Annual Report and Presentation Slides

Marilyn Painter motioned to approve the new Annual Report and slide presentation. Cindy Parks voiced concern about the lack of a correct California Financial Service Report and Performance Audit.

5.4 Dissolution of the Ad-Hoc Subcommittee

Marilyn Painter motioned, Jack Dane seconded: Items 5.2, 5.3, 5.4 were tabled. The motion passed, 4 AYES. (Jack Dane, Cindy Parks, Marilyn Painter, Cary Knoop)

6.0 Announcements, Requests, Debrief, Discussion

Cindy Parks handed out a chart with information that needs to be corrected/updated on the Measure G website.

7.0 Adjournment

The meeting was adjourned at 7:25p.m.

Minutes submitted by: Cindy Parks