



**Bakersfield City School District
Measure G
Citizens' Oversight Committee
2006-2007 Annual Report
January 2008**

INTRODUCTION

On November 7, 2006, the Bakersfield City School District submitted for voter approval Measure G, a bond election measure to authorize the sale of \$100 million in bonds "to upgrade restrooms and plumbing systems, renovate electrical systems to improve student access to computers/technology, acquire and construct classrooms and new schools to reduce overcrowding, make health, safety and security improvements, and improve facilities." This measure was submitted to voters under the terms and conditions of Proposition 39, which requires a 55 percent affirmative vote for passage. Measure G passed with 63.8 percent.

Accountability requirements of Proposition 39 include annual performance and financial audits on the use of bond proceeds and the establishment of an independent Citizens' Oversight Committee to ensure bond proceeds are expended only on school facilities and not on school operating expenses.

CITIZENS' OVERSIGHT COMMITTEE

California Education Code Sections 15278-15282 established the duties of a school district and its duly formed citizens' oversight committee with respect to Proposition 39 bond measures. This code requires that the governing board establish and appoint members to an independent citizens' oversight committee within 60 days of the date that election results are certified. The Bakersfield City School District Board of Education was proactive in establishing a Citizens' Oversight Committee and adopting bylaws on August 22, 2006, contingent upon passage of Measure G. The Board certified Measure G election results on December 12, 2006.

The Committee must consist of at least seven members to serve for a term of two years without compensation and for no more than two consecutive terms. The Committee must include:

- A. One member who is active in a business organization representing the business community located within the school district.
- B. One member active in a senior citizens' organization.
- C. One member who is a parent or guardian of a child enrolled in the school district
- D. One member who is both a parent or guardian of a child enrolled in the school district and active in a parent-teacher organization.
- E. One member who is active in a bona fide taxpayers' organization.

Committee membership includes:

Stephanie Holladay – Chairperson
Harry Chicklenis – Vice Chairperson
Phil Field
Lori Hughes
Robert Palmbach
Percy Robinson
Brian Todd

District support is provided by:

Teri Schallock – District Chief Business Official
Evelyn Goode – District Recorder

The Bakersfield City School District's Measure G Citizens' Oversight Committee met on the following dates: December 7, 2006, March 21, 2007, July 23, 2007, October 25, 2007 and January 10, 2008.

AUDITS

The annual independent financial audit was conducted by Brown Armstrong Paulden McCown Starbuck Thornburgh & Keeter Accountancy Corporation. Their report, dated October 18, 2007, stated that the financial statements for the year ended June 30, 2007 were presented fairly and in conformity with generally accepted accounting principles. In addition, they identified no deficiencies in internal control considered to be material weaknesses.

The annual independent performance audit was conducted by Total School Solutions. Their report dated November 15, 2007 stated that for the year ended June 30, 2007, the expenditure of the funds generated through Measure G bonds were only for the projects listed in the Project List included in Resolution XVIII passed by the Board of Education on July 25, 2006.

HIGHLIGHTS FROM THE AUDIT REPORTS

The issuance of the first \$34 million (Series A) of the \$100 million authorized with the passage of Measure G took place on February 22, 2007.

The total amount expended for the year ended June 30, 2007 was \$322,735.

Interest income for the year ended June 30, 2007 was \$646,327.

EXPENDITURES

Project expenditures during the year ended June 30, 2007 included security improvements at Williams and Emerson schools, modernization costs at Nichols, Eissler and Chipman schools, preliminary expenditures for a new school site, and other general expenditures.

Projects underway in the current year ending June 30, 2008 include security improvements at Jefferson, Longfellow, Penn, Wayside, Mann, Stiern, Washington, Fremont and Hills schools. Modernization projects are progressing at Chipman, Eissler and Nichols schools.

CONCLUSION

The Citizens' Oversight Committee, based on its review of the annual financial and performance audit reports and information received at its meetings, finds:

The Bakersfield City School District is in compliance with the requirements of Article XIII A, Section 1 (b) (3) of the California Constitution.

The Bakersfield City School District website, www.bcsd.com/bond, provides information on Measure G, annual financial and performance audits, the Citizens' Oversight Committee and its activities.