CITIZENS BOND OVERSIGHT COMMITTEE
Measures G, E and I Meeting Minutes of April 8, 2014

Call to order by: Joshua Barousse (Chairman)
Time called to order: 6:45 p.m.
Venue: WC Overfelt, Room D-206, 1835 Cunningham Ave., San Jose CA 95122

The following were in attendance:

CBOC	ESUHSD	SGI	Guests
Andres Quintero	Andre Bell	Deborah Thornton	Joyce Peters
Betty Duong	Chris Funk	Giana Gallo	Robert Reese
Brad Geldert	Linda da Silva	Lorraine Guerin	
Cecil Lawson	Marcus Battle	Robert Ball	
Joshua Barousse			
Mariel Caballero	**Board of Trustees**		
Ramon Martinez	Kelly Kwong		
Sherry Gilmore			
Timothy Tom			
Vince Tran			
Wm. Derek Grasty			

1. ***Call to Order and Roll Call:***
   The CBOC meeting was called to order at 6:45 p.m.

2. ***Public Comment:***
   None.

3. ***Review and Approve Minutes for October and January:***

Mariel Caballero motioned to approve October minutes, seconded by Dereck Grasty. Motion approved by the committee (11-0). Cecil Lawson motioned to approve the January minutes, seconded by Sherry Gilmore. Motion approved by the committee (11-0).

Chairman Barousse informed the committee that a news release announcing the recruitment of CBOC members would be distributed immediately. The news release will be distributed to the media, school sites and each CBOC member; it will also be available on the Measure E website.

Superintendent, Chris Funk and CBOC Chairman Joshua Barousse presented plaques of appreciation of service to the 2 members who decided not to serve another term. Recognized was Sherry Gilmore and John Delgado (absent).

4. Presentations:

a. *Audit, for G, E, and I, Ms. Joyce Peters (Auditor)*
Ms Peters explained the roles, responsibilities, the difference between the two audit reports, and the outcome of the audits. She reported that there were no noted exceptions for Measure G or Measure E. Sherry Gilmore motioned to accept the report, Mariel Caballero seconded the motion. Approved by the committee (11-0).

b. *New organization structure, Mr. Robert Ball and Ms. Linda da Silva*
Linda da Silva provided a brief overview of Total School Solutions performance audit of the bond. The report provided recommendations such as eliminating duplication of responsibilities, inefficiencies and improving cost effectiveness. A restructuring proposal was submitted to the Board of Trustees in October of 2014. This re-organization went into effect on February 1, 2014. This change should result in a projected bond savings of 1.3 million, a 25% in cost reduction.

c. *Bond Funding Process for Charter Schools, Ms. Linda da Silva*
Linda da Silva explained the process for requesting funding and board approved allocations for charter schools.

d. *Draft CBOC annual report, Ms. Giana Gallo and Ms. Lorraine Guerin*
Giana Gallo presented a brief overview of the annual report, outlining improvements to the report and timeline for changes. Giana reminded the committee members to take their time in reviewing the report because they have one month to return feedback to Chairman Barousse. The chairman and the subcommittee will reconvene and review the recommended changes and forward the final changes to program staff. The final Annual Report will be presented to the CBOC in July for approval. Ms. da Silva encouraged the members to attend the next scheduled CBOC meeting to ensure there is a quorum to approve changes to the annual report. The Report will be presented to the Board of Trustees in August, 2014.

Member comments/questions:

- *Derek Grasty recommended that there be an article on the district's efforts to save taxpayers money by refinancing the bonds*
- *Cecil Lawson suggested that in the Q&A there should be a question and response about the unallocated Measure E funds*
- *Tim Tom requested that the pdf have live links*
- *Sherry Gilmore suggested that the projects for the charter schools be listed*
- *Tim Tom questioned the phone number listed on the report and whether that number is the best to respond to questions. Ms da Silva assured him that was the best number.*

5. Information on Measure I Allocation to Educare Facility, Marcus Battle

a. Marcus Battle provided a summary of the legalities and parameters for the Measure I, Educare expenditure. He explained that in October 2014, the BOT approved an allocation up to 1 million in Bond discretionary funds from Measure I for Educare. Expenditures from the bond were deemed to be in compliance with requirements of Article XIIIA, Section 1(b)(3), which provides, in part that bond funds be used for "for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities".

Member comments/questions:

- *How long is this arrangement for? Response: 25 years.*
- *What is the rule of the accounting office, I know it's a partnership between partner assembly and the COB and ESUHSD? Chris, Twelve of the first five is Santa Clara and Educare and Packard Children's Foundation.*
- *What percentage of the project is funded by ESUHSD? Response: very small percentage, over $8.3 million of the funding is from the Santa Clara County Office and the rest is from tax credits and fund raising.*
- *Sherry Gilmore asked that it be reflected in the CBOC minutes that there was concern expressed by the CBOC and that this item was discussed. Members expressed that the item was placed on as an agenda, a presentation was made explaining the action taken, and the action was reviewed and approved by legal counsel and approved by the Board of Trustees. It was decided that no further action was needed.*

EAST SIDE
HIGH SCHOOL DISTRICT

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6. ***CBOC Report:***
    a. Review and Accept Cumulative Report on Expenditures through March 31, 2014 for Measures G, E and I, Andre Bell

    Andre provided an overview of expenditures by Bond.

    b. Program and Project Status Presentation, Mr. Robert Ball

7. ***Confirmation of next meeting location:***

    It was suggested that the next meeting be held at IHS bldg. N. This building is adjacent to the newly built swimming pool. Next meeting is scheduled for July 8, 2014 at IHS, bldg. N at 6:30, tour starting at 6:00.

8. ***Adjourn:***

    Motion to close meeting by Joshua Barousse, seconded by Sherry Gilmore approved by the committee (11-0). Meeting adjourned at 8:50 p.m.

Minutes reviewed by: Joshua Barousse
Print name

Signature

Minutes approved on: 7/30/14
Date