

# Sweetwater Union High School District Bond Oversight: A Success Story Rising from Corruption

- This is a story rising from what the District Attorney called the largest corruption scandal in the history of San Diego.
- School District and Trustees should be commended for allowing bond oversight as intended by the law to succeed.
- Members of the bond committee should be lauded for their extra efforts at giving back to the community
- It all start with the recognition that bond oversight can make for a better more efficient bond program that is accountable.

# Sweetwater District Characteristics



- 42k Grades 7-12 Students
- 32k Adult Education
- Largest 7-12 District in Nation
- Prop BB \$187.7 Million
- Prop O \$277.7 Million

# Sweetwater Characteristics



- 77% Latino
- 33% Fluent in Spanish
- 38.9% Primary Language not English
- 58% Socioeconomically Disadvantaged

# Sweetwater: The Dark Years and Pay to Play



- 2007-14 Pay to Play to Gradual Reform
- Bond Program Heart of Pay to Play-Gilbane/SGI
- 3 South San Diego Districts in Scandal

# Sweetwater: The Dark Years and Pay to Play



- 17 Persons convicted
- Sweetwater 1 Superintendent, 2 Board Members Felonies
- Bond Oversight a Joke (Sorority Sister and Husband of Board Member, Friends, Political Associates)

# Application Process for Bond Oversight Committee like employment application

- Separation of Evaluation Committee-Executive Recommendation or Board Interview
- Minimum Requirements Screening
- Challenges in filling Senior and Taxpayer Rep
- A Key to Effective CBOC

# Embrace Public Input



- Public Input-Sweetwater Corruption
- Media is your friend
- Roberts Rules need bending
- Key information provided to CBOC
- Real Oversight=More input and information
- Public is the audience and client

# Expanded Performance Audit is critical

- Compliance is too limited
- Efficiency and Effectiveness
- Cost is worth it for savings
- Firm GAGAS Compliant and Expertise-No plain vanilla
- Performance Audit-Highly Skilled Firm-Game Changer for future of program

# Types of Issues Covered in Sweetwater Audit

- Warranty Compliance
- Effective Cost Benefit Analysis
- Time and Record Keeping
- Claims Avoidance
- Logical Master Plan-A coherent strategy
- Bid Specifications and competition
- Potential Review-Project Labor Agreements in future

# Site Tours Shape CBOC Discussion and Recommendations



- Conducted prior to meeting
- Led by CBOC not staff
- Review what has not been done
- Tips from public on issues
- Look at problem areas identified in Facilities Assessment
- Issue \$60 million spent at school and over half classrooms no HVAC

# Focus on the Ballot Language and Expenditures

- Where is the spending done-accurate data
- What was approved by the voters
- Remember it is Education
- Do not forget fire life safety-basic comforts (HVAC)
- Proposition 39 Findings
- Clearly Identify projects not approved by voters

# History Matters: Findings to Proposition 39 Constitutional Amendment

- Investing in education is crucial if we are to prepare our children for the 21st Century.
- We need to make sure our children have access to the learning tools of the 21st Century like computers and the Internet, but most California classrooms do not have access to these technologies.
- We need to build new classrooms to facilitate class size reduction, so our children can learn basic skills like reading and mathematics in an environment that ensures that Californias commitment to class size reduction does not become an empty promise.
- We need to repair and rebuild our dilapidated schools to ensure that our children learn in a safe and secure environment.

# History Matters: Findings to Proposition 39 Constitutional Amendment

- Students in public charter schools should be entitled to reasonable access to a safe and secure learning environment.
- We need to give local citizens and local parents the ability to build those classrooms by a 55 percent vote in local elections so each community can decide what is best for its children.
- We need to ensure accountability so that funds are spent prudently and only as directed by citizens of the community.

# Education Code: The Intent is Clear

- **Vigorous** efforts are undertaken to ensure that the expenditure of bond measures, including those authorized pursuant to paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, are in strict conformity with the law.
- **Taxpayers directly participate** in the oversight of bond expenditures.
- The members of the oversight committees appointed pursuant to this chapter **promptly alert the public to any waste or improper expenditure of school construction bond money.**
- That unauthorized expenditures of school construction bond revenues are **vigorously investigated**, prosecuted, and that the courts act swiftly to restrain any improper expenditures.

# Tips for Effective Oversight



- Once a year round robin five minutes from each Member on why they joined the Committee
- Not being afraid to call a Special Meeting when a very important issue requires focus (eg. Project Labor Agreement)
- Emphasizing the CBOC Chair sets the Agenda and seeks the guidance and input from the District and the CBOC members
- Site Tours that focus on the areas that have not been improved at schools...site tours are a game changer

# Tips for Effective Oversight

- Making the extra effort to reach out and include members of the Community that have an interest, follow up with thank you's for new Community Member attendees
- It is OK to ask the tough questions..that is your job as a member
- If the Chair has the time a monthly written Chair Report with both the positive and the areas of improvement be presented to the Board (or quarterly if only meeting that frequently)
- The CBOC Chair is the lead on the new Member Orientation
- Push hard for an expanded Performance Audit
- Monthly Written Chair Report

# Closing Remarks-Sweetwater Kudos for Allowing Independent Bond Oversight



- New Positive Leadership Board and Superintendent
- New Auditing Firm
- Open Transparent Selection of Members
- Staff that listens
- Members engaged-make a difference
- Quality of CBOC like a consulting firm

# Contact Information

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