

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

**GENERAL OBLIGATION BONDS
MEASURE D (2010) AND MEASURE E (2012)
AGREED UPON PROCEDURES**

JUNE 30, 2015

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

**GENERAL OBLIGATION BONDS
MEASURE D (2010) AND MEASURE E (2012)
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FOR JULY 1, 2014 THROUGH JUNE 30, 2015**

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WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

GENERAL OBLIGATION BONDS MEASURE D (2010) AND MEASURE E (2012) FOR JULY 1, 2014 THROUGH JUNE 30, 2015

EXECUTIVE SUMMARY

On June 8, 2010, the District submitted for voter approval Measure D to authorize the sale of \$380 million in bonds to improve school facilities. Measure D was approved by 62 percent of the vote. Because the bond measure was placed on the ballot in accordance with Proposition 39, it required 55 percent of the vote for passage.

On November 6, 2012, the District submitted for voter approval Measure E to authorize the sale of \$360 million in bonds to improve school facilities. Measure E was approved by 63 percent of the vote. Because the bond measure was placed on the ballot in accordance with Proposition 39, it required 55 percent of the vote for passage.

These bond measures were passed pursuant to Proposition 39, therefore, the District was required to establish a citizens' bond oversight committee and conduct two independent audits. The first audit is a bond financial audit. The second audit is a bond performance audit, which determines the District's compliance with the performance requirements as referred to in Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution. In addition to these two required bond audits, the District has opted to have additional Agreed Upon Procedures performed.

The District intends to have the financial and performance audits completed annually until all bond funds have been expended. The financial and performance audits are designed to meet the requirements of Article XIII of the California State Constitution; inform the community of the appropriate use of funds generated through the sale of bonds and to help the District improve its overall bond program.

VTD was only engaged to perform the Bond Performance Audit and the Agreed Upon Procedures. The Bond financial audit is performed by another firm. Please refer to their report for additional information about the Bond Program.

The Bond Performance Report focuses on the objectives of determining the District's compliance with the performance requirements as referred to in Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution. The Agreed Upon Procedures Report provide an additional analysis of the objectives of the District's bond program as requested by the District.

The Agreed Upon Procedures Report focuses on the objectives determined by the District and CBOC. This report presents the results of our procedures performed.

In addition to the bond financial and performance audits, and the Agreed Upon Procedures reports, the District has contracted Vicenti, Lloyd, Stutzman LLP to perform a forensic audit and their report may provide additional information on the operations of the District's Bond Program.

Below is a summary of some observations based on our analysis performed as part of the bond performance audit and the Agreed Upon Procedures. These observations are information and opportunities for the District management to improve the operational effectiveness and efficiency of the Bond Program.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

GENERAL OBLIGATION BONDS MEASURE D (2010) AND MEASURE E (2012) FOR JULY 1, 2014 THROUGH JUNE 30, 2015

SUMMARY OF OBSERVATIONS:

Post - Financing Review

- The Bond official statement dated February 26, 2015 disclosed that the District has complied in all material respects with its previous undertakings to file annual reports during the last five years. From time to time, the District has failed to timely file notices of enumerated events relating to rating changes resulting from rating downgrades of various bond insurers on certain of its Outstanding General Obligation Bonds, although such filings have subsequently been made. The District also failed to timely file its second interim report for fiscal year 2013-14 and failed to file second interim reports for fiscal years 2009-2010, 2010-2011, and 2011-12, which are additional filing requirements under continuing disclosure agreements it executed in 2009. All such interim reports have subsequently been filed. Since 2007, the District has engaged a Disseminating Agent to assist it in complying with all of its continuing disclosure undertakings and to compile and disseminate its annual reports and other required notices and information required under its continuing disclosure undertakings. Under the Municipalities Continuing Disclosure Cooperation (MCDC) Initiative, the Division of Enforcement (the Division) of the U.S. Securities and Exchange Commission will recommend favorable settlement terms to issuers and obligated persons involved in the offer or sale of municipal securities as well as underwriters of such offerings if they self report to the Division possible violations involving materially inaccurate statements relating to prior compliance with the continuing disclosure obligations specified in Rule 15c2-12 under the Security and Exchange Act of 1934. The District submitted a Questionnaire, however, the District is unable to predict the outcome of its submission or what the findings of the SEC ultimately will be with respect to the Questionnaire.

Program Management Effectiveness

- Multi-year budget to actual results by projects were not maintained to assist in evaluating the on-going project costs.
- There were various forms of budget reports maintained by the District and the consultant, however, there was no documentation of how these budgets were developed and how they interact with each other.
- A master project schedule and a construction schedule were maintained by the Scheduler, a subcontractor for the Bond Program, however, it was not clear the purpose of these schedules as they were not being used to assist program planning, monitoring, and/or budgeting.

Design and Construction Schedules Cash Flow Analysis

- The 2014-15 Program Cash Flow projected expenditures were approximately \$152 million and the actual expenditures for the fiscal year were approximately \$113 million. The budgeted expenditures were \$39 million over the actual amount.
- The District's bond program budget is developed and maintained for a single fiscal year. This makes it difficult to track the total budgeted and actual expenditures for multi-year projects in order to effectively manage the project costs.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

GENERAL OBLIGATION BONDS MEASURE D (2010) AND MEASURE E (2012) FOR JULY 1, 2014 THROUGH JUNE 30, 2015

Design and Construction Costs and Budget

- The District appears to have procedures for budget development; however, it is not clear that the budget was updated throughout the construction process. The most recent Board approved construction budget was dated November 12, 2014.
- There were different versions of budgets developed and maintained by SGI and the District Bond Finance office, the budgets do not appear to be consistent or correlated. It appears that the Budgets maintained in the Munis financial system are used for reporting purpose, but it was not clear if the Budget maintained by SGI were in fact used to monitor the project costs.
- Munis has the ability to maintain accumulative budget and cost, however, it is not currently used to monitor costs.

Change Order Procedures

- Change orders did not always have evidence of all required approvals. We noted 2 out of 20 Change Orders did not have evidence of appropriate approvals in accordance with District procedures.
- According to the District's 2014 Construction Procedures Manual, revised March 2014, Change Orders should be supported by certain documentation, such as Verification of Funding Form and a Change Order Checklist, prior to the commitment of District funds. None of the change order documentation reviewed had the Verification of Funding Form, and/or a Change Order Checklist included in the packet to indicate that the availability of funds was verified and that all appropriate steps have been taken prior to contractor starting the work. Completion of these documents would allow for more efficient review and monitoring of the approval workflow process.
- The 2014 Construction Procedures Manual, revised March 2014 indicates that Proposed Change Orders (PCOs) should be processed into Change Orders within 45 days. We reviewed 28 PCOs that supported the 20 Change Orders discussed above and noted the following:
 - 5 of the 28 PCOs reviewed were not processed within the 45 day time frame. It was noted that the ones that had exceeded the limit were often appeared to be due to normal delays caused by the negotiation process.
 - 7 of the 28 PCOs reviewed were not approved by the District Engineering Officer when the individual PCO exceeded \$20,000 as required by District procedures.
 - 21 of the 28 PCOs reviewed did not have evidence of District staff involvement prior to the commitment of District resources. There were several forms reviewed where District approval could have been noted and was not.
 - PCO Forms include areas for approvals of various personnel involved with construction project, such as Estimator, Scheduler, Deputy Program Manager, and Bond Regional Facility Project Manager. However based on District procedures, not all of these personnel need to approve the PCO.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

GENERAL OBLIGATION BONDS MEASURE D (2010) AND MEASURE E (2012) FOR JULY 1, 2014 THROUGH JUNE 30, 2015

Expenditure and Payment Procedures

- 13 out of 62 invoices reviewed were paid after 30 days of receiving the invoice. Per the District policy, invoices are to be paid within 30 days of receiving the invoice from vendor. 4 invoices did not have a received date stamp on them and therefore may or may not have been paid within 30 days. In addition, per the District policy, request for progress payments related to contracts for public works are processed and paid within 30 days. Any improper request shall be returned to the contractor within seven days, together with a written statement of why the request is not proper. We noted no such statement for any of the invoices that had a payment date of 30 days or more.
- 4 out of the 62 invoices reviewed did not have evidence of the Bond Fiscal Director approval. Additionally, 3 of the 4 invoices exceeded \$100,000 but did not have evidence of the Assistant Superintendent of Facilities and Operations approval as required by District policy prior to payment.
- Although verifying proper cut-off was not part of our scope, during performance of other procedures we noted that 1 of the 62 expenditures reviewed was not recorded in the proper period. The invoice description indicated the work was performed in the 2013-14 fiscal year but was not accrued in 2013-14. The total amount of the invoice was \$12,420. Additionally, we were unable to determine if a purchase requisition for this item had been initiated and approved or whether the contract or purchase order was approved by the Board.
- 22 out of the 62 invoices reviewed did not include a District date stamp to indicate when the invoice was received by District personnel for review and approval. Although the 30 day turnaround imposed per District policy is based on when the invoice was received by SGI as indicated by their stamp. The District stamp helps determine where delays in paying invoices are occurring. Additionally, 1 out of 62 invoices had a District date stamp after the date of the check.

Delivered Quality Analysis

- The District appears to have a process for setting and implementing standards for products and systems to be included in facilities projects. However, we were not able to determine that the final products installed were consistent with the specifications as we requested but were not provided the documentation necessary to evaluate the final product implementation.

Local Participation Requirements

- The District has established goals to include local businesses in the planning and construction programs funded through the bond measures. The District's current program goal for local business participation is 30%, local hire overall goal for residents is 24%, and apprentice local hire goal is 20%. The District met its goals for local business participation (Priority 1, 2, and 3 combined) and local hire for residents (Priority 1, 2, and 3 combined). However, the District failed to meet the 20% local hire goal for apprentice.

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Citizen's Bond Oversight Committee (CBOC) Compliance

- Board Policy 7214.2 states that, "The Committee and Board shall hold joint meetings during the first quarter (January-March) and the third quarter (July-September) of each year." During the fiscal year 2014-15, the CBOC and Board of Education held two joint meetings on September 24, 2014 and June 17, 2015. Although two meetings were held during the year, the District failed to hold these meetings in the time frame specified in the Board Policy.



**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

Board of Education and
The Citizen's Bond Oversight Committee
West Contra Costa Unified School District
Richmond, CA 94804

We have performed the Agreed Upon Procedures enumerated below, which were agreed to by West Contra Costa Unified School District and the Citizen's Bond Oversight Committee, solely to assist you with respect to the Measure D (2010) and Measure E (2012) bond program for the fiscal year ended June 30, 2015. West Contra Costa Unified School District's management is responsible for the bond program. This Agreed-Upon Procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures are as follows:

1. Use of Funds. Determine whether (1) expenditures charged to the Bond Program are made in accordance with the bond project list approved by voters in Measure D and Measure E language and (2) salary transactions charged to the Bond Program are in support of Measure D and Measure E and not for District general administration or operations.
2. Post-Financing Review. Determine if (1) the District complies with the United States Securities and Exchange Commission Municipalities Continuing Disclosure Cooperation (MCDC) Settlement Agreement, Administrative Regulation 7214.1 (General Obligation Bonds Disclosure), and Administrative Regulation 7214 (Post-Issuance Tax Compliance Procedures) when selling bonds and (2) the District complies with Bond pricing requirements established by the District prior to sale.
3. Refunding of Outstanding Bonds. Determine if Bond refunding plans and actions comply with State and District specific requirements.
4. Arbitrage and Investments. Determine if (1) the District complies with Internal Revenue Service arbitrage requirements for bond sales; (2) investments of cash from bond sales meet all legal requirements.
5. State Laws and Regulations and District Policies and Regulations. Determine if the District complies with State Laws and regulations as well as District policies and regulations regarding school district facilities programs.

6. District and Professional Services Staffing Plans. Determine if the District's policies and approach to in-house and professional services staffing levels and expertise are effective related to the number of Bond Program projects and workload requirements.
7. Program Management Effectiveness. Determine the design and performance effectiveness of program management processes and controls related to Bond Program planning, design and construction projects.
8. Design and Construction Schedules Cash Flow Analysis. Determine the effectiveness of methods utilized by the District and their consultants to track the schedule of available revenues and expenditures for all Bond Program projects.
9. Design and Construction Costs and Budgets. Determine the effectiveness of the District's processes for development and adherence to design and construction budget (including the documentation and tracking of individual project and school-site budget revisions).
10. Bidding and Procurement Procedures. Determine if District bidding and awarding of bond funded construction projects comply with the State of California school construction requirements, Public Contracting Code, and other relevant laws and regulations.
11. Change Order Procedures. Determine if change orders are (1) approved in compliance with the Public Contracting Code, California school construction State requirements, and other regulations and (2) managed well through controls and activities that relate especially to cause, responsibility, and pricing.
12. Claim Avoidance Procedures. Determine if District policies, procedures, and practices are effective in anticipating, identifying, documenting, and addressing potential Bond Program claims filed against the District.
13. Expenditure and Payment Procedures. Determine if the District complies with its policies and procedures related to Proposition 39 expenditures and payments, including timeliness of payments.
14. Delivered Quality Analysis. Determine if the District's processes related to setting and implementing standards for products and systems to be included in facilities projects are complied with.
15. Local Participation Requirements. Determine if the District complies with its policies on socioeconomic requirements like local hire and prevailing wage adherence as well as participation by small business firms.
16. Effectiveness of Bond Communication Program. Assess the effectiveness of the public outreach and the Bond Program communication plan that address external and internal communications.
17. Citizen's Bond Oversight Committee (CBOC) Compliance. Determine if the CBOC and District complies with (1) Board Policy 7214.2, CBOC and CBOC By-Laws and (2) Proposition 39 requirements to ensure CBOC meetings are held as scheduled, meeting minutes are appropriately taken and approved, and a quorum is present.
18. Transparency of Bond Program. Evaluate the overall transparency of the District bond program using the San Diego County Taxpayers Association criteria.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on these procedures for the Measure D (2010) and Measure E (2012) bond program. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of West Contra Costa Unified School District and the Citizen's Bond Oversight Committee, and is not intended to be and should not be used by anyone other than those specified parties.

Vavrinek, Trine, Day & Co., LLP

Pleasanton, California
March 22, 2016

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

AGREED UPON PROCEDURES GENERAL OBLIGATION BONDS MEASURE D (2010) AND MEASURE E (2012) FOR JULY 1, 2014 THROUGH JUNE 30, 2015

Objective 1. Use of Funds

Determine whether (1) expenditures charged to the Bond Program are made in accordance with the bond project list approved by voters in Measure D and Measure E language and (2) salary transactions charged to the Bond Program are in support of Measure D and Measure E and not for District general administration or operations.

Scope and Procedures

VTD obtained the 2010 Measure D and 2012 Measure E expenditures report from July 1, 2014 through June 30, 2015 and agreed the balance to the District's bond financial report. We used a random generator to select a sample of transactions that provide 90 percent confidence level and obtained actual invoices and other supporting document for review to ensure that funds were spent in accordance with the bond project list approved by the voters in Measure D and Measure E language and that salary transactions charged were not for District general administration or operations.

Conclusion

Based on procedures performed, expenditures charged to the Bond Program appear to be consistent with the bond project list approved by voters in Measure D (2010) and Measure E (2012) language. In addition, no salary transactions were noted for the District general administration or operations.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

AGREED UPON PROCEDURES GENERAL OBLIGATION BONDS MEASURE D (2010) AND MEASURE E (2012) FOR JULY 1, 2014 THROUGH JUNE 30, 2015

Objective 2. Post - Financing Review

Determine if (1) the District complies with the United States Securities and Exchange Commission Municipalities Continuing Disclosure Cooperation (MCDC) Settlement Agreement, Administrative Regulation 7214.1 (General Obligation Bonds Disclosure), and Administrative Regulation 7214 (Post-Issuance Tax Compliance Procedures) when selling bonds and (2) the District complies with Bond pricing requirements established by the District prior to sale.

Scope and Procedures

VTD interviewed District staff and consultants to gain an understanding of the District's process for the annual continuing disclosure filing. We reviewed relevant District board policies and Resolutions and obtained a sample of reports filed during the 2014-15 fiscal year to analyze the District's compliance with the continuing disclosure filing requirement. We also reviewed bond official issuance statement dated February 26, 2015 for the 2010 Election, 2015 Series C (\$50 million) and the 2012 Election, 2015 Series B (\$85 million) to evaluate the District's compliance with Post - Financing requirements and bond pricing requirements prior to sale.

Observations

It is noted in the Bond Official Statement dated February 26, 2015 that during the last five years the District has complied in all material respects with its previous undertakings to file annual reports. From time to time, the District has failed to timely file notices of enumerated events relating to rating changes resulting from rating downgrades of various bond insurers on certain of its Outstanding General Obligation Bonds, although such filings have subsequently been made. The District also failed to timely file its second interim report for fiscal year 2013-14 and failed to file second interim reports for fiscal years 2009-2010, 2010-2011 and 2011-12, which are additional filing requirements under continuing disclosure agreements it executed in 2009. All such interim reports have subsequently been filed. Since 2007, the District has engaged a Dissemination Agent to assist it in complying with all of its continuing disclosure undertakings and to compile and disseminate its annual reports and other required notices and information required under its continuing disclosure undertakings. Under the Municipalities Continuing Disclosure Cooperation (MCDC) Initiative, the Division of Enforcement (the Division) of the U. S. Securities and Exchange Commission will recommend favorable settlement terms to issuers and obligated persons involved in the offer or sale of municipal securities as well as underwriters of such offerings if they self report to the Division possible violations involving materially inaccurate statements relating to prior compliance with the continuing disclosure obligations specified in Rule 15c2-12 under the Security and Exchange Act of 1934. The District submitted the questionnaire, however, the District is unable to predict the outcome of its submission or what the findings of the SEC ultimately will be with respect to the Questionnaire.

We observed that subsequent to the fiscal year ended June 30, 2015, the District has hired outside consultants to provide training regarding post issuance compliance requirements. The District has adopted Administrative Regulation 7214.1 Disclosure Procedures on August 12, 2015 to ensure that the District's Disclosure Documents comply with all applicable federal securities laws and to promote best practices regarding the preparation and review of the District's Disclosure Documents. As these are outside of our scope, we did not perform detail review on these procedures for this report.

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**AGREED UPON PROCEDURES
GENERAL OBLIGATION BONDS
MEASURE D (2010) AND MEASURE E (2012)
FOR JULY 1, 2014 THROUGH JUNE 30, 2015**

Conclusion

Except for the Disclosures noted in the February 25, 2015 bond official statement, the District appears to be in compliance with the Post-Financing requirements for the 2014-15 fiscal year.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

AGREED UPON PROCEDURES GENERAL OBLIGATION BONDS MEASURE D (2010) AND MEASURE E (2012) FOR JULY 1, 2014 THROUGH JUNE 30, 2015

Objective 3. Refunding of Outstanding Bonds

Determine if Bond refunding plans and actions comply with State and District specific requirements.

Scope and Procedures

VTD interviewed District staff and consultants regarding Bond refunding plans and actions. VTD also reviewed relevant Board meeting minutes, Board Resolutions and consultant presentation material regarding the July 2014 refunding bonds. We compared the Bond refunding plans and actions with State, District approved, and Bond specified requirements for compliance.

Conclusion

The District appears to be in compliance with the July 2014 Bond refunding plans and actions.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

AGREED UPON PROCEDURES GENERAL OBLIGATION BONDS MEASURE D (2010) AND MEASURE E (2012) FOR JULY 1, 2014 THROUGH JUNE 30, 2015

Objective 4. Arbitrage and Investments

Determine if (1) the District complies with Internal Revenue Service arbitrage requirements for bond sales; (2) Investments of cash from bond sales meet all legal requirements.

Scope and Procedures

VTD obtained for review a summary of most recent arbitrage calculation performed by the District's consultants. VTD also obtained for review the deposit records and general ledger information related to the bond proceeds from the 2010 Measure D 2015 Series C and the 2012 Measure E 2015 Series B.

Conclusion

Based on the calculation performed by the District's consultants, the District appears to be in compliance with arbitrage and investment requirements.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

AGREED UPON PROCEDURES GENERAL OBLIGATION BONDS MEASURE D (2010) AND MEASURE E (2012) FOR JULY 1, 2014 THROUGH JUNE 30, 2015

Objective 5. State Laws and Regulations and District Policies and Regulations

Determine if the District complies with State laws and regulations as well as District policies and regulations regarding school district facilities programs.

Scope and Procedures

VTD selected and reviewed certain State laws and regulations that the District may be subject to regarding school district facilities programs. We also reviewed the District policies and regulations related to facility operations. This analysis did not constitute a legal opinion or a complete analysis for compliance with all applicable State laws and regulations as well as District policies and regulations.

We reviewed the following State laws and regulations:

- Compliance with Ballot Language
- Bidding and Procurement Procedures
- Change Order Procedures
- Prevailing Wage
- CBOC compliance with Proposition 39 requirements

We reviewed the following District policies and regulations:

- District and Professional Services Staffing Plan
- Bidding and Procurement Procedures
- Change Order Procedures
- Claims Avoidance Procedures
- Expenditures and Payment Procedures
- Delivered Quality
- Monitoring Local Participation Requirements
- Citizens Bond Oversight Committee Compliance

Observations

We compared the District's Bond Program management to District, State and Bond requirements. Below is a summary of the section of this report that corresponds to exceptions for areas reviewed:

- Compliance with Ballot Language - See Objective 1
- Bidding and Procurement Procedures - See Objective 10
- Change Order Procedures - See Objective 11
- Monitoring Local Participating Requirements and Prevailing Wage - See Objective 15
- CBOC compliance with Proposition 39 requirements - See Objective 17
- District and Professional Services Staffing Plan - See Objective 6
- Expenditures and Payment Requirements - See Objective 13
- Delivered Quality - See Objective 14

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

**AGREED UPON PROCEDURES
GENERAL OBLIGATION BONDS
MEASURE D (2010) AND MEASURE E (2012)
FOR JULY 1, 2014 THROUGH JUNE 30, 2015**

Objective 6. District and Professional Services Staffing Plans

Determine if the District's policies and approach to in-house and professional services staffing levels and expertise are effective related to the number of Bond Program projects and workload requirements.

Scope and Procedures

VTD obtained and evaluated the 2014-15 position control documents and project expenditure reports for the Bond Program. We also reviewed payroll information for actual positions paid for the 2014-15 and 2013-14 fiscal years. We reviewed the District's policies and approach to in-house staffing and consultant staffing and interviewed District and consultant staff and compared relevant information to the prior year staffing levels, as well as the ratio of staffing to construction costs for the two years.

Observations

Full Time Equivalent (FTE) positions decreased from 63.85 FTE in 2013-14 to 50.7 FTE in 2014-15 (approximately 21%). Although total project expenditures slightly increased from \$110,180,857 in 2013-14 to \$110,265,823 in 2014-15, total number of active bond projects decreased from 83 projects in 2013-14 to 59 projects in 2014-15 (approximately 29%). The contract employees were budgeted for 49 FTE at the beginning of the fiscal year and it was reduced to 34 FTE at the end of the 2014-15 fiscal year.

Below shows staffing level for the 2014-15 and 2013-14 fiscal years based on the position controls:

BOND PROGRAM STAFFING POSITION BUDGET		
Category	2014-15 FTE	2013-14 FTE
District Staff		
Bond Finance Office	3.70	3.80
Bond Management Office	12.00	14.75
Subtotal	15.7	18.55
Bond Program Manager (SGI)		
Program/Project Management	17	15
Design Management	2	4
Construction Management	23	24
Other (Network Admin., PS2 Coordinator, Master Scheduler, Scheduler, Cost Estimator, Receptionist)	7	6
Subtotal	49	49
Other Construction Managers	0	0
Total Full-Time Equivalent Positions	64.7 FTE	67.55 FTE

Conclusion

The District's policies and approach to in-house and professional services staffing levels and expertise appear to relate to the number of Bond Program projects and workload requirements.

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AGREED UPON PROCEDURES GENERAL OBLIGATION BONDS MEASURE D (2010) AND MEASURE E (2012) FOR JULY 1, 2014 THROUGH JUNE 30, 2015

Objective 7. Program Management Effectiveness

Determine the design and performance effectiveness of program management processes and controls related to Bond Program planning, design and construction projects.

Scope and Procedures

We evaluated the design and performance of program management processes and controls covering planning, design and construction projects. In particular, we reviewed the implementation of policies, procedures and practices needed to ensure adherence to District policies and procedures and that the appropriate approvals occur as projects progress.

Observations

- Multi-year budget to actual results by projects were not maintained to assist in evaluating the on-going project costs.
- There were various forms of budget reports maintained by the District and the consultant, however, there were no documentation of how these budgets were developed and how they interact with each other.
- The Scheduler, a subcontractor for the Bond Program, developed and maintained a project master schedule and a construction schedule, however, it was not clear the purpose of these schedules as they were not being used to assist program planning, monitoring, and/or budgeting.

Recommendations

- Multi-year budgets to actual by projects should be maintained to improve the tracking of project costs and evaluate the factors affecting the project costs.
- Budget reports are one way to track and control costs. If budgets are not developed and/or updated timely based on the current situation of a project, it is difficult for management to have the information necessary to make well informed decisions on the project costs.
- The District should review the job duties for both internal and contract staff to avoid any potential duplication of assignments in order to better manage the staffing workload.

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AGREED UPON PROCEDURES GENERAL OBLIGATION BONDS MEASURE D (2010) AND MEASURE E (2012) FOR JULY 1, 2014 THROUGH JUNE 30, 2015

Objective 8. Design and Construction Schedules Cash Flow Analysis

Determine the effectiveness of methods utilized by the District and their consultants to track the schedule of available revenues and expenditures for all Bond Program projects.

Scope and Procedures

VTD evaluated the documentation provided by the District and interviewed District and consultant staff to determine the methods used for tracking revenues and expenditures and the effectiveness of those methods as a planning tool for each project. The following documents were requested and provided by the District for this analysis:

- 2014-15 Program Cash Flow dated 1/26/15
- Construction schedule procedures
- Monthly Financial Report June 30, 2015

Observations

- The 2014-15 Program Cash Flow projected expenditures were approximately \$152 million and the actual was expenditures for the fiscal year were approximately \$113 million. The budgeted expenditures were \$39 million over the actual amount.
- The District's bond program budget is developed and maintained for a single fiscal year. This makes it difficult to track the total budgeted and actual expenditures for multi-year projects in order to effectively manage the project costs.

Recommendations

- The budget should be revised as known events occur that would have an impact on the revenues, expenditures or project schedules in order to provide the user a more meaningful projection.
- The District should develop and maintain an accumulative budget to actual report by project, so that the project costs can be better monitored.

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AGREED UPON PROCEDURES GENERAL OBLIGATION BONDS MEASURE D (2010) AND MEASURE E (2012) FOR JULY 1, 2014 THROUGH JUNE 30, 2015

Objective 9. Design and Construction Costs and Budgets

Determine the effectiveness of the District's processes for development and adherence to design and construction budgets (including the documentation and tracking of individual project and school-site budget revisions).

Scope and Procedures

VTD interviewed with District and consultant staff to gain an understanding of the design and construction budget process. We also obtained and reviewed relevant documents provided by the District. These documents included:

- 2014-15 Measure D (2010) and Measure E (2012) Project Budget Report
- Program Master Schedule flowchart
- 2014-15 Construction budget
- 2014-15 Project Budget Report

Observations

- There were total of 11 construction related bids for the fiscal year that were provided to us including one that was not awarded. Of the 10 project bids awarded, 8 projects included acceptable bids under the construction budget, and two included acceptable bids in excess of the construction budget. The total construction budget of all projects with acceptable bids was \$34,567,101. The total of the lowest acceptable bids for these projects was \$27,708,992, or approximately 20% under budget.
- The District appears to have procedures for budget development; however, it is not clear that the budget was updated throughout the construction process. The most recent Board approved construction budget was dated November 12, 2014.
- There were different versions of budgets developed and maintained by SGI and the District Bond Finance office, the budgets do not appear to be consistent or correlated. It appears that the Budgets maintained in the Munis financial system are used for reporting purpose, but it was not clear if the Budget maintained by SGI were in fact used to monitor the project costs.
- Munis has the ability to maintain accumulative budget and cost, however, it is not currently used to monitor costs.

Recommendations

- Documentation to support budget updates should be maintained to ensure budget development and updates are in accordance with District policies.
- Program budget and budget amendments should be approved by the Board annually per the District policy.
- The District should review the budget development process for both SGI and the District Bond Finance office to determine the usefulness and accuracy of various budget reports and to determine if some duplicate efforts in both sides can be eliminated to provide a more efficient and effective program budget. In addition, an accumulative project budget should be developed and updated at least annually to monitor the progress and actual project costs.

WEST CONTRA COSTA UNIFIED SCHOOL DISTRICT

AGREED UPON PROCEDURES GENERAL OBLIGATION BONDS MEASURE D (2010) AND MEASURE E (2012) FOR JULY 1, 2014 THROUGH JUNE 30, 2015

Objective 10. Bidding and Procurement Procedures

Determine if District bidding and awarding of bond funded construction projects comply with the State of California school construction requirements, Public Contracting Code, and other relevant laws and regulations.

Scope and Procedures

District bidding and procurement practices were compared to the State of California school construction requirements, Public Contract Code, and District policies. 4 bids out of total 16 bids were randomly selected for review. Supporting documents for the sample selected were obtained and reviewed to evaluate the District's compliance with laws and regulations and District policies.

Conclusion

Based on procedures performed, the District appears to be in compliance with the State of California school construction requirements, Public Contract Code, and other relevant laws and regulations.

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Objective 11. Change Order Procedures

Determine if change orders are (1) approved in compliance with the Public Contracting Code, California school construction State requirements, and other regulations and (2) managed well through controls and activities that relate especially to cause, responsibility, and pricing.

Scope and Procedures

Our scope included Change Orders that had been generated by the construction team and ratified by the Board in the 2014-15 fiscal year. This represented 372 Change Orders totaling approximately \$8.9 million over 37 projects. Relevant documents were obtained and interviews conducted with members of the District and Program Management Staff. A sample of 20 change orders, which represented approximately \$4.1 million, were reviewed and analyzed to determine the cost of change orders for each construction project and review the procedures that the District follows to authorize and approve change orders as prescribed under the public contracting code and District policies. Information obtained from the 2014-15 Board of Education meeting agendas and minutes and facilities documents related to change orders was also used in this analysis.

Observations

1. Change orders did not always have evidence of all required approvals. We noted 2 out of 20 Change Orders did not have evidence of appropriate approvals in accordance with District procedures.
2. According to the District's 2014 Construction Procedures Manual, revised March 2014, Change Orders should be supported by certain documentation, such as Verification of Funding Form and a Change Order Checklist, prior to the commitment of District funds. None of the change order documentation reviewed had the Verification of Funding Form, and/or a Change Order Checklist included in the packet therefore we were not able to determine if availability of funds was verified prior to contractor starting the work. In addition, a Change Order Checklist should have been included in each change order packet to evident that all appropriate steps have been taken to ensure a change order was properly executed prior to the contractor starting the work. Completion of these documents would allow for more efficient review and monitoring of the approval workflow process.
3. The 2014 Construction Procedures Manual, revised March 2014 indicates that Proposed Change Orders (PCOs) should be processed into Change Orders within 45 days. VTD reviewed 28 PCOs that supported the 20 Change Orders discussed above and noted the followings:
 - 5 of the 28 PCOs reviewed were not processed within the 45 day time frame. It was noted that the ones that had exceeded the limit were often appeared to be due to normal delays caused by the negotiation process.
 - 7 of the 28 PCOs reviewed were not approved by the District Engineering Officer when the individual PCO exceeded \$20,000 as required by District procedures.
 - 21 of the 28 PCOs did not have evidence of District staff involvement prior to the commitment of District resources. There were several forms reviewed where District approval could have been noted and was not.

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- PCO Forms include areas for approvals of various personnel involved with construction projects, such as Estimator, Scheduler, Deputy Program Manager, and Bond Regional Facility Project Manager. However based on District procedures, not all of these personnel need to approve the PCO.

Recommendations

- The District should provide clear evidence that the project staff involved has verified funding for the change orders against project budgets. Individual Change Orders exceeding 10% of the contract value run the risk of being out of compliance with Contract Code 20118.4.
- Utilization of a Change Order Checklist would allow for consistency in the documentation that supports the Change Order and allow for efficient review by those in the approval process.
- District personnel should make every effort to process the Proposed Change Orders timely. Proposed Change Orders that are at risk of exceeding the 45 day time frame as stated in the 2014 Construction Procedures Manual, revised March 2014, should be assessed to determine what action needs to be taken to ensure compliance with this procedure.
- Proposed Change Orders exceeding \$20,000 should be signed and dated by the Engineering Officer in the area indicated on the PCO form.
- The District should provide clear evidence of their involvement prior to the commitment of District resources. This should involve the District Project Manager signing and dating Construction Directives, Architecture Supplemental Instructions, and/or any other forms used to direct work to begin.
- PCO Forms should be updated to reflect only approvals of personnel required to be included in the PCO approval process.

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Objective 12. Claim Avoidance Procedures

Determine if District policies, procedures, and practices are effective in anticipating, identifying, documenting, and addressing potential Bond Program claims filed against the District.

Scope and Procedures

VTD evaluated the District policies, procedures and practices to anticipate, identify, document and address potential claims. VTD interviewed with the District staff and consultant, and reviewed documentation provided to support the District's adherence to District policies, procedures, and practices.

Observations

No actual claims were filed during the fiscal year 2014-15, however, based on interview, it was brought to our attention that at the end of the fiscal year, two projects could potentially have claims in the future. We traced the projects beyond the fiscal year ended June 30, 2015 and noted that the District successfully resolved one of the two potential claims. The other claim was filed for the Ohlone Elementary School Project - Phase 1, Bid No. J068272 for unspecified damages alleging breach of contract for prompt payment violations, compensable delay and design error. The suit was filed on September 25, 2015, seeking monetary damages of approximately \$2.2 million plus interest, statutory penalties and attorney's fees. In reviewing the District's response dated October 12, 2015 this represented 26 Proposed Change Orders. At the time of mediation on October 14, 2015, the contractor had increased its claim to approximately \$2.5 million. Through the mediation process, the District and Contractor settled on all disputed Proposed Change Orders for \$950,000 less a \$217,000 retention. The District is currently seeking recovery for damages paid to the contractor from the architect on the Project.

There was a total of 278 Proposed Change Orders (PCOs) associated with this project with 26 not being settled through the District Claim Avoidance Process. We analyzed a total of 15 projects, including the one indicated above, which represented over 1,000 PCOs being negotiated without reaching claim status. Through our analysis we were able to determine that the District met regularly to assess the effect of PCOs on the original contract, including the tracking of potential and disputed PCOs.

Conclusion

Based on procedures performed, it appears that the District policies, procedures, and practices anticipate, identify, document, and address potential Bond Program claims.

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Objective 13. Expenditure and Payment Procedures

Determine if the District complies with its policies and procedures related to Proposition 39 expenditures and payments, including timeliness of payments.

Scope and Procedures

VTD interviewed the District staff and consultants to gain an understanding of the Measure D (2010) and Measure E (2012) payment process for the fiscal year 2014-15. Random samples were selected to achieve 90 percent confidence level. For the samples selected, we obtained actual invoices and other supporting documentation and compared the expenditures to the Proposition 39 requirements and the District policy regarding timeliness of payments which is within 30 days of receiving the invoice.

Observations

- 13 out of 62 invoices reviewed were paid after 30 days of receiving the invoice. Per District policy, invoices are to be paid within 30 days of receiving the invoice from vendor. 4 invoices did not have a received date stamp on them and therefore may or may not have been paid within 30 days. In addition, per the District policy, request for progress payments related to contracts for public works are processed and paid within 30 days. Any improper request shall be returned to the contractor within seven days, together with a written statement of why the request is not proper. We noted no such statement for any of the invoices that had a payment date of 30 days or more.
- 4 out of 62 invoices reviewed did not have evidence of the Bond Fiscal Director approval. Additionally, 3 of the 4 invoices exceeded \$100,000 but did not have evidence of the Assistant Superintendent of Facilities and Operations approval as required by District policy prior to payment.
- Although verifying proper cut-off was not part of our scope, during performance of other procedures we noted that 1 of the 62 expenditures reviewed was not recorded in the proper period. The invoice description indicated that work was performed in the 2013-14 fiscal year but was not accrued in 2013-14. The total amount of the invoice was \$12,420. Additionally, we were unable to determine if a purchase requisition for this item had been initiated and approved or whether the contract or purchase order was approved by the Board.
- 22 out of the 62 invoices reviewed did not include a District date stamp to indicate when the invoice was received by District personnel for review and approval. Although the 30 day turnaround imposed per District policy is based on when the invoice was received by SGI as indicated by their stamp. The District stamp helps determine where delays in paying invoices are occurring. Additionally, 1 out of the 62 invoices had a District date stamp after the date of the check.

Recommendations

- The District should provide training to employees involved in the bond payment cycle to ensure District policies and procedures are adhere to.

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Objective 14. Delivered Quality Analysis

Determine if the District's processes related to setting and implementing standards for products and systems to be included in facilities projects are complied with. This includes comparison of Standardized Items lists with specifications provided within procurement documentation and inspection reports.

Scope and Procedures

VTD interviewed the District staff and consultants to gain understanding of the process utilized by the District to define the level of quality for each project and then track that defined quality through construction documents to ensure that what is delivered in the final project is of the same level as originally specified.

VTD met with District staff and consultants to review the quality assurance processes. The following documents were supplied by the District for this review:

- District List of 'Sole Source' Products, approved September 20, 2006.
- District Master Product List, July 2007/ Revised and Reissued, February, 2008.
- District Master Product List, May 2013

The following document was obtained from the District's web site:

Board Resolution No. 94-1213: Regarding District Standards for Equipment, Products and Materials for District Construction and Adoption of Findings Required by Public Contract Code for Sole Source Specifications.

Following projects were selected from a list of completed projects provided by the District:

- El Cerrito High School - Air Conditioning for Dance Studios and CRs
- Olinda Elementary School - Fire Alarm System Replacement

Following documents were requested but not provided for review for this procedure:

- Approved Contractor's Submittal form
- Approved Submittal Review form

Conclusion

It appears that the District has a process for setting and implementing standards for products and systems to be included in facilities projects. However, we were not able to determine that the final products installed were consistent with the specifications as items requested were not provided.

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Objective 15. Local Participation Requirements

Determine if the District complies with its policies on socioeconomic requirements like local hire and prevailing wage adherence as well as participation by small business firms.

Scope and Procedures

VTD interviewed the labor management company that the District contracts with to ensure that the District is in compliance with the prevailing wage and the local hire requirements. VTD also obtained for review from DSI the Local Capacity Building Program (LCBP), Local Business Summary Report and Local Hiring Summary Report prepared from July 2014 through July 2015. The reporting results were used to compare to the District goals for local hiring.

Current program goal for local business participation: 30% participation by priority area 1; If business are not available, capable or willing to do the work, then the goal will default to priority area 2 then to priority 3.

Local Capacity Building Program Local Business Summary Report									
Report Date	Total Dollar Amount of Contract	Total Dollar Participation	Total Participation Percentage	Total Priority One Dollar Amount	Total Priority One Percentage	Total Priority Two Dollar Amount	Total Priority Two Percentage	Total Priority Three Dollar Amount	Total Priority Three Percentage
July 8, 2014	\$ 133,450,957	\$55,534,890	41.61%	\$10,592,372	7.94%	\$ 12,884,290	9.65%	\$32,058,228	24.02%
September 9, 2014	155,491,274	58,731,537	37.77%	10,042,271	6.46%	14,429,827	9.28%	34,259,439	22.03%
November 3, 2014	172,915,397	69,054,680	39.94%	10,535,306	6.09%	17,888,289	10.35%	40,630,685	23.50%
January 12, 2015	145,986,727	58,516,340	40.08%	9,469,428	6.49%	14,805,501	10.14%	34,241,411	23.46%
March 16, 2015	144,482,969	57,411,774	39.74%	8,944,728	6.19%	15,111,311	10.46%	33,355,735	23.09%
May 6, 2015	142,364,819	56,214,217	39.49%	8,825,071	6.20%	14,475,713	10.17%	32,913,433	23.12%
July 12, 2015	143,510,357	56,952,476	39.69%	8,927,097	6.22%	14,465,605	10.08%	33,559,774	23.38%

Source: Davillier Sloan's LCBP reports for the period July 2014 through July 2015.

Priority Area One - West Contra Costa County: Crockett, El Cerrito, El Sobrante, Hercules, Kensington, Pinole, Richmond, Rodeo, and San Pablo.

Priority Area Two - Contra Costa County (Exclude West Contra Costa County)

Priority Area Three - Northern Alameda and Southern Solano County: Alameda, Albany, American Canyon, Benicia, Berkeley, Castro Valley, Elmira, Emeryville, Fairfield, Hayward, Nut Tree, Oakland, Piedmont, San Leandro, San Lorenzo, Suisun, Travis Air Force Base, Vacaville, and Vallejo.

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Local Hire overall Goal: 24% Participation by Priority 1. If Residents are not available, capable or willing to do the work then the goal will default to priority 2 and then to priority 3.
Apprentice goal: 20% participation by State approved Apprentices, on a craft by craft basis. All of the apprentice hours shall be worked by residents of priority 1 if they are available, capable and willing to do the work on the project.

Local Capacity Building Program Local Hiring Summary Report								
Report Date	Total Average Hours (Residents)				Total Average Hours (Apprentice)			
	Priority One	Priority Two	Priority Three	Total Participation	Priority One	Priority Two	Priority Three	Total Participation
July 8, 2014	15.72%	24.32%	28.58%	68.62%	5.36%	4.22%	4.16%	13.74%
September 9, 2014	21.29%	16.91%	23.80%	62.00%	3.68%	3.52%	3.42%	10.62%
November 3, 2014	20.54%	17.06%	22.19%	59.79%	3.91%	3.64%	2.81%	10.36%
January 12, 2015	15.57%	15.13%	27.25%	57.95%	4.18%	3.03%	2.94%	10.15%
March 16, 2015	13.12%	16.94%	25.43%	55.49%	4.85%	2.83%	3.92%	11.60%
May 6, 2015	12.93%	13.72%	26.51%	53.16%	4.40%	2.21%	2.35%	8.96%
July 12, 2015	15.60%	17.85%	23.07%	56.52%	4.67%	1.61%	1.71%	7.99%

* Credit can be received for priority area one residents working on non District projects during the time period they are working on a District project.

Source: Davillier Sloan's LCBP reports for the period July 2014 through July 2015.

Priority Area One - West Contra Costa County: Crockett, El Cerrito, El Sobrante, Hercules, Kensington, Pinole, Richmond, Rodeo, and San Pablo.

Priority Area Two - Contra Costa County (Exclude West Contra Costa County)

Priority Area Three - Northern Alameda and Southern Solano County: Alameda, Albany, American Canyon, Benicia, Berkeley, Castro Valley, Elmira, Emeryville, Fairfield, Hayward, Nut Tree, Oakland, Piedmont, San Leandro, San Lorenzo, Suisun, Travis Air Force Base, Vacaville, and Vallejo.

Observations

- No exceptions noted for prevailing wage requirements
- The District met 30 percent total local business participation (Priority 1, 2 and 3 combined)
- The District met 24 percent total local hire overall goal for residents (Priority 1, 2 and 3 combined).
- The District did not meet the total 20 percent apprentice local hire goal.

Recommendations

The District should continue its outreach effort to improve the overall participation for apprentice local hire.

Conclusion

Except for not meeting the goal for local hire for apprentice, the District appears to be in compliance with its policies on socioeconomic requirements.

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Objective 16. Effectiveness of Bond Communication Program

Assess the effectiveness of the public outreach and the Bond Program communication plan that address external and internal communications.

Scope and Procedures

VTD reviewed all avenues of communication, including public presentations at Board meetings, Citizen's Bond Oversight Committee (CBOC) activities, District website postings, and newsletters were considered. Additional information was also derived from interviews with District personnel and CBOC members.

VTD reviewed the processes and systems used to convey information about the bond program to interested parties. These processes serve as a measurement of the effectiveness of dissemination information among parties involved and stakeholders in the bond program and its operations.

The following three websites provide information about the facility and bond programs:

- West Contra Costa Unified School District website: www.wccusd.net
- Bond Oversight Committee website: www.wccusd-bond-oversight.com
- Bond Program website: www.wccusdbondprogram.com

Observations

- The District staff provides regular updates and presentations at Board meetings and Board Facilities Sub-Committee meetings. These updates often include slide shows and discussions regarding the bond program and ongoing construction projects. Board meetings are televised and materials are readily available on the District's website.
- The District's Facility and Bond webpage provides construction related information on ongoing and upcoming projects including bid schedules and related bid documentation, pre-qualified contractor lists, and information about the bonds issued.
- As noted in the prior year Agreed Upon Procedures report that the monthly Construction Asset Management Program (CAMP) reports, which provided detailed financial and non-financial information about bond funded projects, had stopped being provided to CBOC as of April, 2013. An equivalent report was not provided until January 2015 due to its transition from CAMP report to the KPI report. It is noted that the District has now provided Monthly financial reports and cashflow reports to CBOC.
- The Facilities Master Plan posted on the District website was not updated during the fiscal year 2014-15. However, as of the time this report was drafted, we noted following reports have been posted to the District Facilities website: Draft Long Range Facilities Master Plan; Cost Estimates Report related to the Master Plan; and Update on Master Plan and Prioritization Criteria.

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Recommendations

We recognize the District's efforts to improve Bond Program communication and have noted additional information being posted to its websites after the fiscal year ended June 30, 2015. We recommend that the District work closely with CBOC to develop any necessary information concerning the status of the Bond Program in order for them to perform their oversight role.

Conclusion

The District's Bond Program communication has improved during the 2014-15 fiscal year. However the communication has not appeared to be effective during the year due to certain information not being updated in a timely manner to make the information useful at the time.

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Objective 17. Citizens' Bond Oversight Committee (CBOC) Compliance

Determine if the CBOC and District complies with (1) Board Policy 7214.2, Citizen's Bond Oversight Committee, and CBOC By-Laws and (2) Proposition 39 requirements to ensure CBOC meetings are held as scheduled, meeting minutes are appropriately taken and approved, and a quorum is present.

Scope and Procedures

VTD evaluated the overall compliance of the CBOC with law, the District's Board Policies and CBOC By-Laws. We reviewed the CBOC meeting schedules and meeting minutes from July 2014 through June 30, 2015 to determine that the CBOC met as scheduled, meeting minutes were appropriately taken and approved and a quorum is present.

Observations

Board Policy 7214.2 states that CBOC and the District Board shall hold joint meetings during the first quarter (January through March) and third quarter (July through September) each year. We noted that in 2015, the first joint meeting was held in June instead of the first quarter as required by the Board Policy.

The prior year Agreed Upon Procedures Report noted a similar issue where the two joint meetings in 2014 were not held within the time frames specified by the BP 7214.2

Below is a summary of the meeting information for the 2014-15 fiscal year:

Meeting Date	Members/Alternates in Attendance	Members Absent	Quorum
July 30 th , 2014	13	3	Yes
August 27 th , 2015	16	0	Yes
September 24 th , 2014*	9 CBOC, 4 BOE	7 CBOC	Yes
October 22 nd , 2014	12	4	Yes
December 10 th , 2014	11	6	Yes
January 28 th , 2015	12	3	Yes
February 25 th , 2015	16	2	Yes
March 25 th , 2015	17	1	Yes
April 29 th , 2015	11	5	Yes
May 27 th , 2015	11	7	Yes
June 17 th , 2015*	15 CBOC, 4 BOE	Not documented	Yes
*Joint CBOC and BOE meeting			

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Recommendations

We recommend that the District Board and CBOC work together to develop a joint meeting schedule that is within the time frame specified in Board Policy 7214.2.

Conclusion

Except as noted above that the first joint meeting for the District Board and CBOC was not held between January through March as specified in the Board Policy 7214.2, the District and CBOC appear to be in compliance with Board Policy 7214.2, CBOC By-Laws, and Proposition 39 requirements.

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Objective 18. Transparency of Bond Program

Evaluate the overall transparency of the District Bond Program using the San Diego County Taxpayers Association criteria.

Scope and Procedures

VTD obtained the San Diego’s Taxpayers Association Criteria and compared to information available on the District and CBOC.

Conclusion

The results of the evaluation shows that the District met 16 of the 23 of the San Diego County Taxpayers Association criteria.

Website Information Provision	Criteria Met
Committee Bylaws	
Member Information	
Meeting Minutes/Agendas	✓
Additional Meeting Material	✓
Annual Reports	✓
Performance Audits	✓
Financial Audits	✓
Project List	✓
Project Descriptions	✓
Project Progress	✓
Bond Background	✓
Contact Information	✓
Report/ Audit Information Provision	
Budget Overview	✓
Program Status Updates	✓
Detailed Discussion of Projects	
Basic Financial Information	✓
Expenditures Itemized by Project/ Site	
Prop 39 Required Audit Findings	✓
Additional Recommendations	
Detailed ICOC Member Information	
Project Progress Report	✓
Audits Performed by Third Party	✓
Performance Audits meet SDCTA Standards	