

Date: February 16, 2021
To: SANTEE SCHOOL DISTRICT BOARD OF TRUSTEES
From: INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE ("ICOC")
MEASURE S
Subject: ICOC 2020 ANNUAL REPORT TO THE BOARD OF TRUSTEES

As required under California state law, the Santee Measure S **Independent Citizens' Oversight Committee** ("ICOC") hereby delivers this **Annual Report** to the Santee School District Board of Trustees for the year 2020.

ICOC OVERVIEW

As set forth under California state law:

- The ICOC is responsible for reviewing the District's expenditures of bond proceeds.
- The ICOC is subject to the Ralph M. Brown Public Meetings Act of the State of California.

It should be noted that the expenditure of District funds on regular and deferred maintenance projects and the use of funds generated from sources other than the bond measures fall **outside** the scope of the Committee's review.

REPORT TO THE BOARD/SUMMARY OF ACTIVITIES/COMPLIANCE

In regard to the ICOC's proceedings and activities for the year 2020, the following information is provided:

1. **Annual Report.** The ICOC is required to present an annual report to the Board of Trustees which shall include a statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California State Constitution, as follows:
 - a. The bond proceeds from the sale of a Prop 39 bond are to be used only for the purposes specified and not for any other purpose, including teacher and administrator salaries and other school operating expenses;
 - b. A list of the specific school facilities projects to be funded and certification that the district has evaluated safety, class size reduction, and information technology needs in developing that list;
 - c. The district board shall conduct an annual independent performance audit to ensure that the funds have been expended only on the specific projects listed; and
 - d. The district shall conduct an annual independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended for the projects.

Finding: compliant. The ICOC hereby states that it finds the District to be in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California State Constitution.

2. **Review of Expenditures.** It is the duty of the ICOC to provide oversight of bond expenditures, including the review of specific reports produced by the District, in order to ensure that bond proceeds are being expended only for the purposes set forth in the ballot measures and that no bond proceeds are used for teacher or administrative salaries or district operating expenses.

Finding: compliant. Activity successfully completed by ICOC.

3. **Review of Financial and Performance Audit.** The ICOC has reviewed the Santee School District Building Fund Draft Financial and Performance Audit.

Finding: compliant. There were no findings or recommendations.

4. **Inform the Public.** The ICOC is to provide information to the public concerning the District’s expenditure of bond proceeds.

Finding: compliant/in process. The ICOC is working with District staff and consultants to provide an informational document for the community regarding recent bond expenditures.

5. **Regular Meetings.** The ICOC is required to hold at least one annual meeting. All meetings are to be open to the public in accordance with the Ralph M. Brown Act.

Finding: compliant/attention required. Annual meeting(s) were successfully held. The ICOC held meetings on October 30, 2019; July 29, 2020; and October 28, 2020. However, public access to ICOC agendas and minutes through the District’s website is at times lacking and requires attention by District staff. Website improvements are ongoing.

6. **ICOC Membership.** The ICOC membership is to consist of seven members appointed by the Board. The table below reviews the status of the required positions, as specified under Proposition 39 and ICOC bylaws:

Position	Status
Member active in a business organization representing the business community located in the District	Filled
Member active in a senior citizens’ organization	Filled
Member active in a bona fide taxpayers’ organization	Vacant
Member who is the parent or guardian of a child enrolled in the District	Filled

Member who is both a parent or guardian of a child enrolled in the District and in a parent-teacher organization, such as the PTA or school-site council	Vacant
Member with experience in school finance	Filled
Member of the community at large	Filled

FINDING: compliant/ongoing attention needed. Efforts are required on the part of the District to fill vacant positions.

COMMITTEE MEMBERSHIP

Under state law, a member’s term is limited to two years. Members may serve up to three consecutive terms. Information regarding the terms of the current members is shown below.

Member	Position	Term Number	Current Term Ends
Erin Garcia	School Finance Experience	First	10/15/21
Terri Knight	Member of Senior Citizens’ Group	Second	10/15/22
Joseph Perricone	Business Representative Group	Second	10/15/22
Beth Rackliffe	At-Large Community Member	First	10/6/22
Kai Ramer	At-Large Community Member	First	8/4/21
Corrine Reed*	Parent/Guardian of a School District Student	First	6/16/22
Linda Vail	At-Large Community Member	First	10/15/21

*Member resigned subsequent to report period.

Respectfully submitted,



Linda Vail, Chairperson
Santee School District Independent Citizens Oversight Committee

ANNUAL REPORT FROM THE MEASURE "S" INDEPENDENT CITIZENS OVERSIGHT COMMITTEE

February 16, 2021

Dear Members of the Santee School District Board of Education,

It is my pleasure to provide you with an Annual Report, including findings and recommendations of the Measure S Independent Citizens Oversight Committee (ICOC).

I would like to acknowledge and thank the entire committee: Erin Garcia, Terri Knight, Joe Perricone, Beth Rackliffe, Kai Ramer, and Corrine Reed. Thank you also to Dianne El-Hajj who has served as the Board's representative. This committee is group of citizens with varied knowledge and experience in this area and who are serving the District and the voters well.

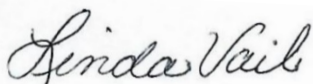
The ICOC began meeting on October 30, 2019 to review the scope and limitations of our responsibilities, organize our work, and review the bond language and projects planned for the funds. We have held four (4) subsequent meetings where we reviewed the bond fund expenditures and change orders. Dale Scott has provided an overview of property taxes, assessed valuation, and some key points on planning and structuring bond sales. On January 27th, we reviewed and accepted the Measure S Financial and Performance Audit conducted by EidBailly. **Through our expenditure review and the performance audit report, as of January 27, 2021, we find that the bond funds have been spent in compliance with the Measure S bond language.** We would like to commend Karl Christensen and the business and accounting staff for a great audit report and extend our appreciation for their assistance in providing necessary information to the committee.

The ICOC has been impressed with the minimal number of change orders and the commitment of the entire modernization staff in seeking the greatest cost benefits during construction and their dedication to value engineering opportunities.

One noted area for improvement was the accessibility of information about the ICOC on the District website. This has been updated to include a link on the District homepage for easier access to the information by the public.

A requirement of the ICOC is to develop and distribute a report to the community. In the past, the community received the same report provided to the Board. This year, the ICOC would like to recommend and ask the School Board's consideration to develop and distribute a more comprehensive report to the community this summer when the Measure S modernization projects will be completed. This report would provide all taxpayers and voters within our school community with a fuller understanding of the projects that were funded by Measure S and the value provided to students for many years to come.

Sincerely,



Linda Vail, Chair

ICOC Community Report Distribution Methods

<u>#</u>	<u>Method</u>	<u>Estimated Cost</u>
	Obtain voter registration file	\$300+
1	US Mail to all voter households	\$20,000+, incl voter reg file
2	US Mail to selected voter households	\$10,000 - \$15,000, incl voter reg file
3	Create center-fold or insert for publishing in Santee Magazine which is mailed to all households: <ul style="list-style-type: none"> • Spring – due 3/8, in mail 3-22 • *Summer – due 6-1, in mail 6-21 • Fall – due 8-31, in mail 9-20 • Holiday – due 11-1, in mail 11-22 	\$4,000 - \$5,000 (may be double for more content) ICOC ok for up to \$9,500
4	Email to School District Parents	Minimal
5	Email to Registered Voters with Email Addresses in Registration File (approx. 50% of registered voters)	\$500 - \$800, + \$300 voter reg file
6	Obtain voter registration file and record message to be Robo-Called to most voter households pointing them to District website for Community Report	\$400 - \$500, + voter reg file if #5 not done