

San Diego Taxpayers Educational Foundation

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School Bond Transparency In San Diego County

SUMMARY REPORT

July 2014

The San Diego Taxpayers Educational Foundation (SDTEF) conducts research on issues relevant to taxpayers including transparency. Taxpayers should be able to quickly determine if new libraries, new pools and new classrooms, for example, that school district officials promised to voters while pitching the bond have been built. In many districts, this information is easier to find today than it has been in the past. This report is intended to provide tools for San Diego County school districts to use in the ongoing process of improving transparency with respect to school facilities bond programs.

While there are many criteria that go into making a school facilities bond program effective, the scope of this study focuses solely on transparency – the accessibility of information that makes it possible for taxpayers to assess the performance of school facility bond programs. This study is the most recent update of the SDTEF 2007 study. It focuses on the transparency of currently and recently active school facility bond programs.

The Transparency Scorecard summarizes the findings of this study by providing an accounting of information made available by school districts. **The Transparency Scorecard only makes note of the existence of the criteria examined and does not comment on the quality of the material available or the ease of access.**

Overall, the findings are positive. In fact, there has been marked improvement since the last update to this study in 2011. Of the 21 school districts examined, only five failed to meet at least half of the criteria examined. Three of those five are too new to fully assess. Further, 15 school districts met over 75 percent of the categories. While the overall performance of school districts in regards to transparency was good, there is still ample room for improvement.

Only San Diego Unified School District (SDUSD) and Sweetwater Union High School District (SUHSD) earned perfect marks on the Transparency Scorecard, with all other districts having at least one missing section. The least transparent school districts are Encinitas Union School

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District (EUSD) and Julian Union High School District (JUHSD) – the only two to meet fewer than half of the criteria on the Transparency Scorecard.

With this in mind, SDTEF offers four recommendations to best address continuing school bond transparency problems.

Recommendation #1: Place information regarding a school facilities bond and the corresponding Independent Citizens Oversight Committee (ICOC) prominently on the home page of the district’s website. Access to information is just as important as the information itself. A link to the ICOC’s web page should be prominently placed on a school district’s home page. This eliminates confusion and makes it easier for taxpayers to find key information.

Recommendation #2: Make all meeting materials available on the ICOC’s website. Simply including a record of agendas and meeting minutes is not enough to properly inform the public, even if those meeting minutes include some description of additional materials distributed during meetings. All reports and presentations given in ICOC meetings are important because they usually contain the most relevant information regarding the construction of projects and current costs. Furthermore, omitting meeting materials is in violation of Assembly Bill 1908, which reads, in part, “all documents received and reports issued [by or to an ICOC] shall be a matter of public record and be made available on an Internet website maintained by the governing board.”

Recommendation #3: Performance audits should be conducted by auditors with demonstrated knowledge in project management and construction industry best practices. Since the latest update to this study in 2011, significantly more school districts utilize independent performance audits. Most of these audits, however, fail to truly evaluate the performance of a school district’s facilities bond program. This is because the independent auditor who executes the performance audit is commonly the same auditor responsible for the financial audit. Auditors who are well versed in financial auditing are not necessarily knowledgeable in project management and/or construction. As such, auditors with performance audit expertise should be sought out to conduct performance audits rather than giving priority to the financial auditor.

Recommendation #4: Use the best established ICOCs as models when starting an ICOC. Districts with newer school facilities bond programs performed well below average on the Transparency Scorecard. In order to properly establish themselves, these school districts and their ICOCs should turn not only to the San Diego County Taxpayers Association’s “[Oversight Committee Best Practices](#)” but should also look toward the most transparent established ICOCs as models for success. The two school districts (SDUSD and SUHSD) that earned perfect marks on the Transparency Scorecard should be used as examples of transparency. By following the already established methods that have proven successful in other school districts, new ICOCs can more easily establish themselves as transparent.

School Bond Transparency Scorecard

	San Diego Unified School District	Sweetwater Union High School District	Grossmont Union High School District	Grossmont-Cuyamaca Community College District	Oceanside Unified School District	San Diego Community College District	Escondido Union High School District	Poway Unified School District	San Marcos Unified School District	South Bay Union School District	Poway Unified School District	Southwestern Community College District	Cajon Valley Union School District	Carlsbad Unified School District	Santee School District	Vista Unified School District	Encinitas Union School District	Julian Union School District	San Diego City Unified School District	Chula Vista Elementary School District	Delaware School District
	SDUSD	SUHSD	GCCCD	GUHSD	OUSD	SDCCD	EUHSD	PCCD	SMUSD*	SBUSD	PUSD	SWCCD	CVUSD	CUSD	SSD	VUSD	EUSD*	JUHSD*	SDUHSD*^	CVESD*^	DSD*^
Website Information Provision																					
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	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Transparency Grade	23/23	23/23	22/23	21/23	21/23	21/23	20/23	20/23	20/23	20/23	19/23	19/23	18/23	18/23	18/23	17/23	10/23	7/23	--	--	--

*Proposition passed since last update

^No annual reports have been issued to date