



Performance Audit Report
2006 Measure B, 2012 Measure J, and 2020 Measure Y
General Obligation Bond Funds
June 30, 2022

Oakland Unified School District



March 31, 2023

Board of Education, Citizens' Bond Oversight Committee, and Management of the
Oakland Unified School District
Oakland, California

Subject: Measure Y, Measure J and Measure B Construction Bond Funds Performance Audit Report for the Fiscal Year Ended June 30, 2022.

This report presents the results of our performance audit of the Oakland Unified School District's (OUSD or the District) 2020 Measure Y, 2012 Measure J and 2006 Measure B General Obligation School Facilities Bond (Bond Program) as required by District objectives, California Proposition 39, the "Smaller Classes, Safer Schools and Financial Accountability Act" (Proposition 39), California Constitution (State Constitution) Article XIII A, California Education Code (Education Code) Section 15272, and Appendix A contained in the *2021-2022 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* issued by the California Education Audit Appeals Panel. These California State (State) requirements specify that the proceeds from the sale of school facilities bonds are expended only on the specific projects listed in the proposition authorizing the sale of bonds (Listed Projects).

Both the State Constitution and Education Code require an annual independent performance audit to verify bond proceeds are used on Listed Projects. Finally, Senate Bill 1473, "School facilities bond proceeds: performance audits" (SB 1473), approved by the Governor on September 23, 2010, amended California Education Code to add Section 15286, which requires the annual performance audits to be conducted under the *Government Auditing Standards* issued by the Comptroller General of the United States.

Executive Summary

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. The performance audit objectives, scope, methodology, audit results, and a summary of the views of responsible district officials are included in the report body.

Performance audit procedures covered the period from July 1, 2021, through June 30, 2022. Based on the performance audit procedures performed and the results obtained, we have met our audit objectives. We conclude that for the fiscal year ended June 30, 2022, bond proceeds were used only for listed projects under the 2020 Measure Y, 2012 Measure J and 2006 Measure B, which authorized the sale of the Bond, with the following potential exceptions and clarifications:

- The ballot language addresses projects at the District and school site levels; however, particular expenditures are not explicit in the Bond language.
- For split funded employees, the District does not have a documented basis for distributing salary between the narrow category of bond compliant construction projects, and routine everyday school facilities administrator expenses.

The project planning began in January 2023. The audit team was on-site and remote for fieldwork during February and March 2023 to review documentation covering payment procedures, contracting and procurement, and design and construction, interviews with selected project managers, reconciling and reviewing budgets, board legislative information, OUSD Facilities Procedures Manual, and reports presented to the Citizens' Board Oversight Committee, and reviewing supporting documents for the selected change orders and amendments. We reviewed documentation covering 49 percent of total vendor expenditures and 100 percent of salary expenditures of Measure B, Measure J and Measure Y.

Based on our assessment, we identified several good management practices as described below:

- The District utilized other revenue sources to maximize the impact of Measure Y, Measure J and Measure B funds.
- The District reported the historical expenditure date for the projects and separated Measure J and Measure B expenditures.
- Senior management of the Bond Program was cooperative, responsive, and maintained the institutional knowledge that is often lost with the turnover of senior District officials.
- The District submitted a Contract Justification Form to the Board that summarized relevant procurement process information. This form included relevant vendor information on how the District selected vendors, a summary of vendor services, a determination of competitive pricing if the contract was not competitively bid, and competitive bid exceptions when applicable.
- While out-of-date, the District was able to provide a standardized items list for Bond Program materials procurement.
- The Bond Program provided conflict of interest forms which resolved the prior year observation 8 and 9.1 related to conflict of interest.
- Citizens' Bond Oversight Committee (CBOC) meeting minutes were posted on the District website, and the meeting minutes included links to the relevant documentation.
- The Board of Education Meeting minutes were posted on the District website, and the meeting minutes included links to the relevant documentation.
- The District continuously updates the Program Procedures Manual, which includes updated policies and procedures over the areas addressed in this report and the prior year's performance audit report. The Program Procedures Manual is available on the District website for all key stakeholders to review.
- The District adopted the 2020 Facilities Master Plan in April 2020, which reflects District's current needs and goals for future building and renovation projects.
- The District adopted a Capital Spending Plan dated January 2021 to revise the August 2018 Spending Plan (project budgets) to reflect the current state of the projects.
- Complete and bid and procurement documents were readily available in a central location.
- Information presented to CBOC reconciles with the District's accounting records.
- The District provided a signed payroll certification for 100% bond funded employees.
- The District's financial reporting to CBOC has improved and includes details necessary for the key stakeholders to analyze the schedule and budgetary information at the program and project level.

We continued to evaluate the effectiveness of internal controls to analyze the School Construction Program and offer those charged with District governance and oversight information to improve program performance and operations. The District has demonstrated significant improvements over internal controls by resolving eleven prior-year observations.

We provided improvement recommendations related to our observations for expenditure management and controls, adherence to design and construction cost budgets, adherence to design and construction schedules and timelines, financial reporting and internal controls, payment procedures, change order and claims procedures, bidding and procurement procedures, best practices for procurement of materials and services, conflict of interest, compliance with state laws and guidelines, and board policy.

Management remains responsible for the proper implementation and operation of an adequate internal control system. Due to the inherent limitations of any internal control structure, errors or irregularities may occur and not be detected. Also, projections of any evaluation of the internal control structure to future periods are subject to the risk that the internal control structure may become inadequate because of changes in conditions or the degree of compliance with the procedures may deteriorate.

This report is intended solely for the use of the District's Board of Education, management, and the Citizens' Bond Oversight Committee. This report is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

A handwritten signature in cursive script that reads "Eric Sully LLP".

Menlo Park, California

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

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June30, 2022**

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**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Background Information
For the Year Ended June 30, 2022**

A. Oakland Unified School District Approved Bond Funds

On June 6, 2006, Oakland voters approved the School Facilities Improvement Bond of 2006 (Measure B), authorizing the District to issue \$435 million of general obligation bonds to finance the school facilities projects specified and listed in the Bond Project List. The funds intend to “repair and modernize elementary, middle and high schools and pre-schools, including renovating classrooms, restrooms and other facilities to meet current safety standards, repairing electrical, plumbing and other building systems; and building libraries, classrooms, and science and computer labs.”

On November 6, 2012, Oakland voters approved the School Facilities Improvement Bond of 2012 (Measure J). Measure J authorized the District to issue \$475 million to “improve the quality of Oakland schools and school facilities to better prepare students for college and jobs, to upgrade science labs, classrooms, computers, and technology, improve student safety and security, repair bathrooms, electrical systems, plumbing, and sewer lines, improve energy efficiency and earthquake safety.”

On November 2, 2020, Oakland voters approved Measure Y. Measure Y authorized the District to issue \$735 million for classroom repair and school safety improvements, including upgrading classrooms, science labs, and technology; improving student safety and security; repairing bathrooms, electrical systems, and plumbing/sewers; and improving energy efficiency and earthquake safety.

Bond Program accounting records show total expenditures of \$30,293,000. Measure Y Bond Program expenditures totaled \$6,948,600, Measure J Bond Program expenditures totaled \$20,989,278, and Measure B Bond Program expenditures totaled \$2,355,122 in the current year.

Unspent resources on June 30, 2022 are \$232,368,374. Of this total, Measure Y includes \$180,004,485, Measure J includes \$40,716,316, and Measure B includes \$11,647,573. The District sold the final series of bonds under Measure B in August 2016. The August 2020 series of bonds is the final issuance under Measure J. In November 2020, the District received authorization to issue \$735 million of general obligation bonds for Measure Y. On October 1, 2021, the District sold first two Measure Y series A and B in amount of \$185,000,000.

B. California State Requirements

A Construction Bond Program Performance Audit is required for the District’s Measure J and Measure B Construction Bonds by Proposition 39, State Constitution Article XIII A, and Education Code Section 15272. These requirements specify that the proceeds from the sale of school facilities bonds can be expended only on Listed Projects. The State Constitution and Education Code require an annual independent performance audit to verify that Bond proceeds were used on Listed Projects. Finally, SB 1473, approved by the Governor on September 23, 2010, amended the California Education Code to add Section 15286, which requires an annual performance audit to be conducted per *Government Auditing Standards* issued by the Comptroller General of the United States.

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Background Information
For the Year Ended June 30, 2022**

California voters passed proposition 39 on November 7, 2000. Proposition 39 amended provisions to the California Constitution and the California Education Code. The purpose and intent of the initiative were “to implement class size reduction, to ensure that our children learn in a secure and safe environment, and to ensure that school districts are accountable for prudent and responsible spending for school facilities.” It provided for the following amendments to the California Constitution and California Education Code:

1. To provide an exception to the limitation on ad valorem property taxes and the two-third vote requirements to allow school districts, community college districts, and county offices of education to equip our schools for the 21st Century, to provide our children with smaller classes, and to ensure our children’s safety by repairing, building, furnishing and equipping school facilities;
2. To require school district boards, community college boards, and county offices of education to evaluate the safety, class size reduction, and information technology needs in developing a list of specific projects to present to the voters;
3. To ensure that before they vote, voters will be given a list of specific projects their bond money will be used for;
4. To require an annual, independent financial audit of the proceeds from the sale of the school facilities bonds until all of the proceeds have been expended for the specified school facilities projects; and
5. To ensure that the proceeds from the sale of school facilities bonds are used for specified school facilities projects only, and not for teacher and administrator salaries and other school operating expenses, by requiring an annual independent performance audit to ensure that the funds have been expended on specific projects only.”

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Objectives, Scope, and Methodology
For the Year Ended June 30, 2022**

The primary objective of the performance audit included verification of management’s compliance with Proposition 39, which required that bond proceeds only be used for school facilities projects that were listed with the Bond. The District created the Measure Y, Measure J and Measure B Bond funds under Proposition 39, which requires the District to expend these funds proceeds only on Listed Projects and not for school operating expenses.

We conducted this Bond Program performance audit following *Government Auditing Standards* for Performance Audits issued by the Comptroller General of the United States (GAGAS), and Appendix A of the *2021-22 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* published by the Education Audit Appeals Panel. As required by these standards, we planned and performed the audit to obtain sufficient and appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS), and in accordance with *Government Auditing Standards*, and Appendix A of the *2022-23 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* published by the Education Audit Appeals Panel, as applicable, will always detect a material noncompliance when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. We have met our audit objective based on the performance audit procedures performed and the results obtained. Performance audit procedures covered July 1, 2021, through June 30, 2022.

Management remains responsible for the proper implementation and operation of an adequate internal control system. Due to the inherent limitations of any internal control structure, errors or irregularities may occur and not be detected. Also, projections of any evaluation of the internal control structure to future periods are subject to the risk that the internal control structure may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

This performance audit did not constitute an audit of financial statements in accordance with Government Auditing Standards. Eide Bailly was not engaged to and did not render an opinion on District internal controls. The full list of performance audit objectives (as specified by the District and agreed upon for this performance audit) and methodology applied included the following:

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Objectives, Scope, and Methodology
For the Year Ended June 30, 2022**

Conduct a Performance Audit (CAPA) for Measures J, B and Y

We reviewed the Bond Program's financial records and expenditures to verify that funds were used for approved Bond Program purposes as outlined in the ballot language, Bond documents, Board-approved Listed Projects, and Proposition 39 requirements. We reviewed the Bond Program's financial records and expenditures by obtaining the Annual Financial Report and comparing the balances to the District's detailed accounting records. We analyzed control processes, tested the Bond Program expenditure cycle, and sampled supporting documentation to validate internal controls. We selected all vendor transactions considered individually significant based on the auditor's materiality and at least one transaction from all vendors. We tested 49 percent of aggregated total vendor expenditures in amount of \$14,777,935, consisting of 19 expenditures from Measure Y totaling \$3,992,105, 99 expenditures from Measure J totaling \$8,749,403 and 27 expenditures from Measure B totaling \$2,036,427.

These transactions included payments for contractors, employees, and journal entries. We performed our testing procedures to verify:

- Expenditures were for Listed Projects.
- The District obtained approval of payment applications and invoices.
- Expenditures complied with the approved contract, purchase order, or other procurement documentation.
- Expenses were recorded accurately in the District's books and records in the proper period and segregated from District's operations and administration.
- Expenditures met allocability and allowability requirements for allowance and contingency usage per sampled job contract language.
- The District paid expenditures within contractual agreements of 45 days.

We tested 100 percent of the full Measure Y, J and B salary expenditures for \$2,383,547, including 100 percent of payroll-related benefits.

We communicated our audit plan with bond program senior management and are available to meet with District personnel and the Citizens' Bond Oversight as requested.

We conducted interviews with key personnel responsible for implementing the bond program. This included individuals in senior management and staff positions responsible for overseeing the planning, design, and construction work associated with the projects, such as team members of OUSD's program management team, OUSD's facilities and administration, and contractor project management. We also interacted with the accounting staff responsible for monitoring and implementing the financial controls over the programs. A complete list of the individuals interviewed is included in Appendix A.

Specific Outcome No.1. Adherence to Design and Construction Cost Budgets

We reviewed management's process for the development and adherence to design and construction budgets on bond-funded projects in the facilities' construction program to gather and test data to determine compliance and measure the effectiveness of controls.

We reviewed the reconciliation of projects for which bond funds were expended to projects approved by the Board, analyzed the reconciliation of projects approved by the Board to projects on the approved facilities master plan, and reviewed the reconciliation of the facilities master plan on the approved project lists for Proposition 39.

Specific Outcome No.2. Adherence to Design and Construction Schedules and Timelines

We reviewed the methods used by bond program management to track the schedule of available resources and expenditures for all projects and to plan each building project per the availability of funds. We walked through existing schedule performance tracking methods, Bond fund expenditure schedules, and sample supporting documentation for expenditures and cost controls performance. Audit procedures included assessment of performance against schedule and controls needed for reliable schedule reporting.

Specific Outcome No.3. Financial Reporting and Internal Controls

We evaluated the actions taken by bond program management to apply policies and procedures that accomplish the Bond Program schedule, scope management, and performance goals. We reviewed Bond Program reporting to provide current, accurate, and complete cost, schedule, and budgetary information to Program stakeholders. We analyzed financial reporting and controls based on interviews and information gathered during the project audit.

This analysis also reviewed the cost, schedule, and budgetary reporting and review methodologies.

Specific Outcome No.4. Payment Processing

We verified that the District was compliant with its policies and procedures related to Proposition 39 expenditures and payments for the period. We documented the use of Bond Program funds and segregation of these funds for Bond Program purposes, traced Bond funds received by OUSD and reconciled amounts received with amounts expended, and verified that these funds were spent for Bond Program purposes. We verified payment approval and cost accounting control design and operation. We conducted a review for payment per contract terms. We gathered and tested data to determine compliance and measure the effectiveness of payment controls. Cost reimbursable contracts were given specific focus and attention, as applicable. We analyzed processes to review and approve contractor charges to prevent excessive fees and overpayments, and We examined payment applications to assess the adequacy of supporting documentation.

Objectives, Scope, and Methodology
For the Year Ended June 30, 2022

Specific Outcome No.5. Change Order and Claim Procedures

We reviewed change order documentation for compliance with Public Contracting Code, California school construction state requirements, and other regulations. We evaluated controls and activities to manage change orders. We reviewed contracts to understand allowable charges and reimbursable costs related to change orders. We analyzed policies and procedures covering the review and approval of contractor change orders to identify potential exposures. Specific consideration was given to change order cause, responsibility, and pricing.

We reviewed policies and procedures to verify whether documentation exists before approval of change orders and confirm that the District obtained the required approvals. Additionally, we evaluated and reviewed the processes used to effectively communicate potential claims and mitigate claims risk.

Specific Outcome No.6. Bidding and Procurement Procedures

We validated support to ensure sole-source procurement was documented, cost justification was available, and the District obtained the required approvals. We summarized the sole source procurement documentation reviewed, including instances where the District narrowly defined the specifications to be vendor-specific. For competitive bids, we verified compliance with the California school construction state requirements, Public Contracting Code, and State and other Professional Services Contract relevant laws and regulations. Additionally, we evaluated procurement controls to apply competitive and compliant contracting practices.

Specific Outcome No.7. Best Practices for Procurement of Materials and Services

We determined whether bond program management had and used a standardized items list and educational specifications for Bond Program materials procurement to identify facilities' material requirements. We assessed whether materials requirements were available to project architects and designers and verified whether materials specifications were used in procurements and provided to all bidders during the procurement process. Review for cost-benefit analysis performed in setting materials standards and district management approvals required significant materials specification changes.

Specific Outcome Nos. 8 and 9. Conflict of Interest and Compliance with State Laws and Guidelines and Board Policy

We analyzed for compliance with selected relevant state laws and regulations regarding school district facilities programs. We performed a risk assessment to identify requirements and regulations to which the District may be subject. The California Schools Accounting Manual (CSAM), Education Code, Public Contract Code, Government Code, California Code of Regulations (Title 21 and Title 24), and other appropriate regulations are considered within our analysis. We selected specific laws and regulations that are considered the highest risk for further review to assess the District's compliance. This analysis does not form a legal opinion or a complete analysis for compliance with all applicable state laws and regulations.

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Objectives, Scope, and Methodology
For the Year Ended June 30, 2022**

Present Audit Findings

We developed the performance audit conclusions as the engagement progressed. A draft report was prepared at the end of the engagement for distribution and comment before final report issuance. Our report found areas of effective practice and areas needing improvement within the framework of each of the significant scope areas named above. Good practices for each scope area are also presented. It is the responsibility of management, and those charged with governance, to decide whether to accept the risk associated with these conditions because of cost or other considerations.

As required by *Government Auditing Standards*, the elements of a finding are criteria, condition, context, and recommendation are included in the following pages. The audit recommendations sections include management's response. We considered management's response to our audit findings for reasonableness and consistency with our knowledge of the District, but management's response is not subject to audit procedures.

The deliverables provided to the bond program management are produced collaboratively and objectively, and meaningfully convey the performance audit results to achieve maximum benefit to the District, its Administration, the Citizens' Bond Oversight Committee, and the Governing Board. We are committed to the Oakland Unified School District and are continually available to consult about this report.

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Audit Results
For the Year Ended June 30, 2022**

Conduct A Performance Audit (CAPA)

We reviewed expenditures for compliance with the Bond's requirements for listed projects to ensure that unallowable costs were not allocated to the Bond Program, under Government Auditing Standards for performance audits. The conclusions of our work are summarized as follows:

CAPA No. 1

The ballot language addresses projects at the District and school site levels; however, particular expenditures are not explicit the Bond language. We reviewed expenses for compliance with the Bond's requirements for Listed Projects to ensure that only allowable costs were allocated to the Bond Program. The District is currently paying rent for space at 1000 Broadway for interim housing of its administration offices totaling \$3.2 million during the fiscal year 2022 from Measure J. The former administration building is not usable due to flooding that occurred during the fiscal year 2013. While the expenditure provides benefits to the District, the Bond language for Measure J does not explicitly address the 1000 Broadway District administration office lease, and also does not expressly define "interim."

This decision was based on the advice of legal counsel and the State Trustee. The then State Trustee wrote a letter to the District's then General Counsel in February 2019 addressing this matter. In the letter, the State Trustee cited discussions with Bond Counsel and concluded: "the [Measure J] language provides ample coverage for paying the lease of the 1000 Broadway site pending the construction of a new administration building..." The current plan was adopted on June 5, 2019, via Board Resolution 1819-0211 to move forward with a permanent District Administrative Center at the former Cole Elementary School, to approve the interim housing location at 1000 Broadway, and to authorize the revision of the Measure J spending plan to show how the current bond will fund the initial planning phase of the permanent housing and the updated rent costs for interim housing. In response to the Board Resolution 1819-0211, the District prepared and presented the new Spending Plan, which includes updated budgets for the extended rent expense for the interim housing and Phase 1 Cole Administrative Center project, dated January 2021 to the Citizens' Bond Oversight Committee on February 5, 2021. January 2021 Measure J Spending Plan represents the latest version available to date.

Improvement Recommendations: Bond measures require long-term planning. There is always a trade-off between limiting a future Board's discretion to respond to the changing needs of the community versus the need to specify how each bond dollar must be spent. Key stakeholders may consider explicit language addressing this matter in a future ballot.

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Audit Results
For the Year Ended June 30, 2022**

CAPA No. 2

For split-funded employees, the District does not have a documented basis for distributing salary between the narrow category of bond compliant construction projects, and routine everyday school facilities administrator expenses. We evaluated and reviewed the funds used for administrator salaries only to the extent they performed administrative oversight work on Measure B, J, or Y compliant construction projects, as allowable per Opinion 04-110 issued on November 9, 2004, by the State of California Attorney General. That opinion states that "a school district may use Proposition 39 school bond proceeds to pay the salaries of district employees to the extent they perform administrative oversight work on construction projects authorized by a voter-approved bond measure."

The total salary charged to the bond programs was \$2.3 million. Eighteen people are full-time bond program employees. Of these amounts, four people whose collective salary charged to the bond program was approximately \$282 thousand, are allocated between the bond fund (80%) and the general fund (20%) and one person's salary was allocated between the bond fund (90%) and the general fund (10%). This matter does not apply to employees who are performing specific limited tasks, such as cleaning a site before it may be occupied, because timecards document the hours worked in those situations.

We interacted with 11 out of 20, fully funded or cross-funded employees, and reviewed all 23 employees' positions and responsibilities. We also reviewed timesheets for non-recurring payroll expenditures. We reviewed the District's payroll certification signed by the Deputy Chief for the fully funded employees certifying 100 percent allocation of their payroll is based on the actual bond related activities. Based on the conversations with employees, and review of timesheets and other documents, employees funded by the bond funds have exclusive responsibilities related to bond fund or a majority of works involved bond-related activities. Furthermore, from an accounting perspective, the payroll records are complete and accurate; every dollar of salary expense is traceable to the specific employee who is being paid.

Improvement Recommendation: Applicable to employees who work partly in support of non-bond projects (five for fiscal year 2022), we recommend management to formally document the basis for distributing salary between the narrow category of bond compliant construction projects, and routine everyday school facilities administrator expenses. We do not intend that the implementation of this recommendation causes a burden to employees performing their job duties nor an increase in cost to the District.

The California School Accounting Manual *Procedure 905* addresses distribution of salaries between restricted funding sources. The District's existing "Time & Effort Certification Policies and Procedures" may be applied to the bond program.

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Objectives, Scope, and Methodology
For the Year Ended June 30, 2022**

CAPA No. 3

Although no instance of noncompliance was noted, there is an opportunity to strengthen internal controls over the approval procedure for certain interdepartmental transactions. We reviewed expenses for compliance with the Bond's requirements for Listed Projects to ensure that management allocated only allowable costs to the Bond Program. Of the 99 sampled expenditures, one transaction charged to Measure J was approved by personnel in the Technology Services Department. While Facilities personnel's approval is not a compliance requirement per se, nor do we suggest that Facilities personnel be involved in the decision-making process, there are reasons for Facilities personal to remain part of the approval chain. Absence of a consistent application of approval procedures and documentation renders it challenging for us to ascertain compliance over Proposition 39. Upon review of the document provided, we were unable to ascertain whether the expense in question relates to general maintenance or bond-related projects, thus rendering verification inconclusive.

Improvement Recommendation: The Facilities personnel have the historical experience to assess allowability, to ensure all expenditures are recorded into the bond fund accounting and budget records, to ensure proper reporting of all payments to key stakeholders, and the Facilities department is ultimately responsible for compliance. Although departments other than Facilities may legitimately expend bond funds on eligible activities, we recommend that Facilities personal remain involved in the approval process.

CAPA No. 4

Although no instance of noncompliance was noted, there is an opportunity to strengthen internal controls over the approval procedure during the year-end financial closing process. We reviewed expenses for compliance with the Bond's requirements for Listed Projects to ensure that management allocated only allowable costs to the Bond Program. Of the 99 sampled expenditures, ten transactions charged to Measure J were related to the year-end accrual entries. Four transactions indicated incomplete supporting documentation because purchase order numbers, accounts payable stamp, or warrant numbers were omitted.

One invoice from DCG Strategies indicated projects that were not included in the Measure J project list per January 2021 Spending Plan. Upon the review of the board file number 21-1740 and the Division of Facilities Planning and Management Routing Form, this consulting agreement is for the Tilden Child Development Center and Edward Shands Education center funded by Fund 40, "Special Reserve Fund for Capital Outlay Projects". While the greater scope of this consulting services might fall into the category of voter approved project list, which indicates it may as well be funded by Measure J, the presence of inconsistencies within the documentation gives rise to confusion and potentially approving unallowable expenditures.

Improvement Recommendation: During the year-end financial closing process, we recommend the Facilities and the District's fiscal department to apply the same or higher level of approval and review procedures over accrued expenditures, to ensure all expenditures recorded into the bond funds are allowable per voter approved ballot language for each measure as well as to ensure the invoice approval and documentation procedures over all bond related expenditures are consistently applied.

Specific Outcome No.1 – Adherence to Design and Construction Cost Budgets

Observation 1.1

Although none in the current year, the District’s project cancellation increases the risk of inefficient use of bond funds. We compared the budget changes from the January 2021 Spending Plan to the budget reported to the CBOC as of June 30, 2022, and evaluated the budget changes’ cause. We selected ten projects with significant current-year expenditures and compared the total budget presented to the CBOC and the approved spending plan as of January 2021. None of the ten selected projects indicated a budget decrease due to the cancellation of the project. Although not occurring in the current year, we have historically noted examples such as the Education Learning Complex Project (ELC2) budget decreased from \$17.5 million to \$7.5 million due to the project cancellation approved by the board resolution No.1819-0211. The project incurred cumulative expenditures of \$7.2 million as of June 30, 2021, for the project’s design. In addition, the CBOC expenditure report as of June 30, 2022, indicates 7 projects rescinded with total cumulative expenditures of \$593,631. Although the Board may have approved the initial project and the cancellation of the project, it increases the risk of inefficient use of bond funds when the project stops after the significant bond fund has been expended.

Improvement Recommendation: Project cancellation leads to inefficient use of bond funds. A policy allowing for interim updates to the annual spending plan may mitigate future similar projects’ risk. In addition, the District should report the project schedule and planned expenditures by project and by funding source to ensure enough funds are available to complete a project. See the recommended reporting under Observation 2.

Observation 1.2

Although the budget presented to the CBOC is based on the latest project budgets, there is an inconsistency between the spending plan referred to in the CBOC report and the latest budget. We compared the budget changes from the January 2021 Spending Plan to the budget reported to the CBOC as of June 30, 2022 and evaluated the budget changes’ cause for 10 projects with significant current year expenditures. Five out of ten projects selected indicated a budget increase since January 2021 Spending Plan was approved. Three projects, Claremont New MPR Building, Laurel CDC New Construction, and Frick ISS, indicate a total aggregated budget of \$43,136,632 per the June 30 CBOC report, an increase of \$2,806,672 from the total aggregated budget of \$40,400,000 on the January 2021 Spending Plan. Two projects, East Oakland Price at Webster Campus Fire and Intrusion Alarm and Martin Luther King Jr Elementary Fire and Intrusion Alarm, did not have designated budgets per January 2021 spending plan; however, the CBOC report presents a total aggregated budget of \$2,599,302. We acknowledge the spending plan works as a guideline to set the project budget, and the actual project budgets can be fluid as the project progresses; however, the CBOC report refers to the current budget as the budget approved per January 2021 Spending Plan, which does not agree with the actual amount presented. The inconsistent reference in the CBOC report creates confusion for the reader and increases the risk of potential misrepresentation of the latest project budget.

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Audit Results
For the Year Ended June 30, 2022**

Improvement Recommendation: A policy allowing for interim updates to the annual spending plan may resolve the inconsistency between these two reports. In addition, the District should consider updating the reference in the CBOC report and presents the budget changes since the latest January 2021 Spending Plan to accurately reflect the latest budget and the source of the information.

Specific Outcome No.2 – Adherence to Design and Construction Schedules and Timelines

Observation 2

The District has taken major step toward resolving the prior year observation 2 by improving the reports presented to the CBOC in more comprehensive format. Based on the review of the CBOC meeting minutes and the related reports throughout the fiscal year 2022 and the subsequent period, the District has provided meaningful reports, including the project status, timeline, budget, and expenditures. Per a review of November 14, 2022, CBOC meeting minutes, the District presented October 2022 Budget & Expenditures report, which lists out all projects by sites, projects numbers, initial budget, budget changes, current budget, prior expenditures reported to CBOC, current expenditures, total accumulated expenditures, remaining/available budget amounts, total percentage of expenditures to the budget, and the project status. The District also continued to present the total revenues of the bond against the total expenditures per measure as of June 30, 2022, the remaining fund balance and any unissued bond remaining balance. The new budget and expenditures report indicates improvement to the previous historical expenditures details by site report as it provides the percentage of the budget usage next to the project status, which will provide additional analytical data for the reader of the report. The District also updated the project reconciliation report for the major projects requested by the CBOC. The new project reconciliation report provides not only the total committed balance per object of the expenditures, it also provides budget, total expended, remaining to the committed balance, variance to the committed balance and total contingency outstanding. This report provides the reader the overall financial commitment and progress of each project in clearer and more comprehensive format, which ultimately serves as a cash flow projections to ensure sufficient funding for the project completion. Although the above-mentioned reports do not direct address the timeline of the project, the District resolved this matter by presenting a separate report called the “Project Fact Sheet” for the major projects identified by the CBOC. The August 2022 Fact Sheets included 6 projects. Each Fact Sheet includes project description, current activities, project schedules, current budget, and the funding source. The project schedules include the important timeline such as contractor’s approval date, start of construction and anticipated project completion date. Per our interview with the management, the District is in process of even further implementing our previous recommendation to provide meaningful reports to the CBOC by updating the project fact sheet to include the project scope, costs, schedule, funding, relevant change orders and cumulative budget changes as recommended per Government Finance Officers Association (GFOA) Capital Project Monitoring and Reporting best practices. Bond Program management has informed us that full implementation is expected by June 30, 2023.

Improvement Recommendation: The District should finalize the updated project fact sheet and the financial reports presented to the CBOC. The District should consolidate Measure Y financial information to the current Measure B and J report to collectively present overall bond performance.

Specific Outcome No.3 – Financial Reporting and Internal Controls

We did not identify new observation related to financial reporting and internal control under Specific Outcome No.3. Based on the review of the *OUSD Facilities Department Standard Operating Procedures Manual*, the District has a procedure that the Staff Accountant will be working with project managers to review and reconcile financial information that is presented to the CBOC. We evaluated whether the information presented to the Citizens’ Bond Oversight Committee reconcile to the District’s accounting records by comparing total project expenditures for fiscal year 2022 reported on CBOC report and the district’s general ledger records. We haphazardly selected ten projects and reconciled the fiscal year 2022 total expenditures. We noted all expenditures reported on the CBOC report reconciled without the variance as below.

Project Name	Project #	FY 22 Expenditures		Difference
		per CBOC Report	per General Ledger	
		Total	Total	Total
Claremont New MPR Building	15127	\$ 549,584	\$ 549,584	\$ -
Laurel CDC New Construction	17126	520,073	520,073	-
McClymonds HS Modernization	21110	435,410	435,410	-
Glenview ES New Construction Replacement	13134	320,302	320,302	-
Cole MS Central Administrative Center	19119	5,037,704	5,037,704	-
The Center	13133	1,006,763	1,006,763	-
Fremont New Construction	13158	6,858,438	6,858,438	-
Frick ISS	15105	301,239	301,239	-
East Oakland Pride @ Webster Campus Fire & Intrusion Alarm.	15110	495,279	495,279	-
Martin Luther King Jr ES Fire & Intrusion Alarm.	15111	248,415	248,415	-

We also evaluated the actions taken by bond program management to apply policies and procedures that accomplish the Bond Program schedule, scope management, and performance goals. We reviewed Bond Program reporting as needed to provide current, accurate, and complete cost, schedule, and budgetary information to Program stakeholders. Based on interviews and information gathered during the project audit, we conducted an analysis of financial reporting and controls. This analysis also reviewed the cost, schedule, and budgetary reporting and review methodologies.

Specific Outcome No.4 – Payment Procedures

Observation 4

The District’s payment procedures were consistently applied throughout the fiscal year with minor administrative errors. The District resolved the prior year’s observation 4.1 related to the payment processing time. The California Prompt Payment Act requires local governments to pay all payment applications for construction projects within 45 days of receipt and acceptance and payment for professional service agreements within 30 days of receipt and acceptance of the invoice. We reviewed 145 payment applications, of which 2 did not have a date of receipt stamp, but all the invoices were paid within 45 days of the receipt date or the invoice date. One invoice was paid after 45 days of the receipt; however, the District supplement the delay in payment, which indicated the delay was due to stale check from the vendor that required the reissuance of check. The District management provided the sufficient justification for two payment application with missing AP stamp

and those invoices were paid within the required 45 days. There were two instances where inconsistent project name or number were documented throughout the payment application. Two out of 145 payment applications reviewed are considered minor administrative errors; however, the District should strengthen the review process to ensure the accuracy of project accounting reporting.

Improvement Recommendation: The District may use this information as an opportunity to strengthen the payment application review process.

Specific Outcome No.5 – Change Order and Claim Procedures

Observation 5.1

The District's change order documentation should reflect the actual procedures performed by the District. The District published the updated *OUSD Facilities Department Standard Operating Procedures Manual* on the District website available for all stakeholders. We reviewed the District's change order policy and procedures and considered whether the policy and procedures have appropriate controls over Public Contracting Code compliance and review and approval before issuing vendor payments.

Additionally, we interviewed project managers and reviewed 11 amendments and change order files approved during the fiscal year 2022 to understand how these matters are handled in practice. See Appendix C for the list of amendments and change orders reviewed. All 11 amendments and change orders reviewed complied with PCC 20118.4 and the District's procedures. The interviews with the projects managers provided consistent response that the District has the due-diligence process that requires the internal cost estimator to review the change order for any significant amount; however, there was no documentation provided to us to verify this procedure was performed. We also could not obtain the threshold of the change order amount that requires the internal cost estimator's review as it seems that not all change orders are required to be reviewed by the internal cost estimator.

Improvement Recommendations: The District should consider updating documentation of change orders and amendments to demonstrate the due-diligence procedures the District performs. The District has a good set of procedures to reduce risk surrounding change orders, we do not consider this recommendation burdensome. The resulting documentation will provide documented support that the District is following the procedures as published in the *OUSD Facilities Department Standard Operating Procedures Manual*.

Observation 5.2

There is no defined policy for reporting meaningful change orders to key stakeholders. As a best practice, decision-makers should know the status and responsible party about meaningful change orders. We reviewed the policies and procedures surrounding collecting and reporting change orders to key stakeholders.

During our interview with project managers, we reviewed the Construction Contract Status Report and observed the following information:

- Project Name
- Project Number
- Original Construction Contract Amount
- Approved Change Order Total
- Approved PCOs Not in Change Orders
- Estimated Costs Not in a PCO
- Final Contract Amount

However, the report does not include change order impact or identification of the responsible party. Identifying change order responsibilities may include classifications such as owner-initiated, scope changes, design errors, contract errors, and unforeseen conditions. Without this level of information, responsibility for change orders and associated costs will not be evident to key decision-makers. As mentioned in the Observation 2, the District is in the process of presenting change order information to the CBOC by updating the project fact sheet to include the project scope, costs, schedule, funding, relevant change orders and cumulative budget changes as recommended per Government Finance Officers Association (GFOA) Capital Project Monitoring and Reporting best practices. Management of the Bond Program has informed us that full implementation is expected during the year ended June 30, 2023.

Improvement Recommendation: As a best practice, the District should establish robust change order reporting within Bond Program reporting to ensure end-users understand change order impact, assigned responsibility, and litigation exposure. To that end, key stakeholders should receive an active litigation report of claims filed. If there are none, there should be a standard report that says, "no litigation at this time." We further recommend establishing a threshold for reporting accepted change orders, which materially increase the use of resources, to key decision-makers. Such a limit could be exceeding the contingency reserve (Allowance Expenditure Directive) amount by a percentage or absolute amount but should be formally set up in policy so that it may be consistently followed.

Change order reporting should include itemized change amount, percentages, descriptions, change responsibility, and approval date. Within the bond program, change order documentation should be available at the project and program levels with detailed and summary information. Review and complete change reporting are necessary to understand change order cause, responsibility, pricing, and compliance and to identify potentially duplicated work scopes and redundancies caused by unclear scope objectives and expectations within the master plan. Policies and procedures surrounding change order management and controls should be updated to ensure consistent practices. (See Appendix K for an example of change order reporting).

Specific Outcome No.6 – Bidding and Procurement Procedures

Observation 6.1

Bid documents - In few instances, the District could not provide documentation, such as score sheet, that we could review to conclude if the lowest cost or best value vendors were selected for four public works projects.

We reviewed 13 bid documents to evaluate bid and procurement practices, procedures and controls for applying competitive and fair general contracting and subcontracting practices. The District was unable to provide documentation of a fair and competitive solicitation process for three professional services as listed at Appendix E. Per CUPCAA and District Policy, public projects over \$200,000 are subject to the formal bidding process, which includes advertisement and/ or an RFP/RFQ selection of lowest bidder and/or best value, and Board approvals, and for public projects over \$60,000 but below \$200,000 may be let to contract by informal bidding procedures.

Improvement Recommendations: The District should update the policies and procedures to ensure the maintenance of bid and procurement documentation readily available in a central location, either physically or electronically. This will enable the District to verify compliance with applicable guidance and support the performance audit. Additionally, as a best practice, the District should maintain a consolidated bid and procurement activity report that will allow District senior management to identify, prevent, or detect noncompliance with District policies and procedures, state laws and regulations, and best practices (e.g., not sole source procurement). A checklist or equivalent mechanism, with appropriate sign-offs on procurement requirements, can be a useful tool for all relevant parties (Accounting and Facilities and Procurement) to validate compliance with policy and procedure requirements.

Observation 6.2

The errors and inconsistencies in the contractual documentation amplifies the potential for inadvertent legal liabilities regarding payment obligations. Two out of the thirteen contract documents we reviewed consist of errors and inconsistencies in the contract documentation. Although the signed contract indicated the correct amounts, there were errors in the internally generated forms, which are part of the board documentation for the contract approval. For example, within the Board legislative file number 22-1175 dated May 25, 2022, the contract with the Bay Construction Company for the East Oakland Pride Elementary School Fire and Intrusion Alarm Replacement Project, the awarded total contract amount was \$1,153,000 per board memo; however, the included file "Contract Justification Form," indicates total contract cost as \$1,135,000. Based on our review of the submitted proposals and signed contracts, the board awarded the amount of \$1,153,000 was indeed the correct amount. Another instance is with the board legislation file ID number 22-1325, the contract with Arntz Builders, Inc for Laurel Child Development Center (CDC) Replacement Project dated June 22, 2022. The board memo includes a typo that totals the approved amount of \$14,174,463; however, the actual approved amount per review of the signed contract, contract justification form, and submitted proposal was \$14,174,463.

Improvement Recommendations: The District should designate an individual responsible for administrative reviewing the completeness of the contract documentation including the awarded board memo. A checklist may be utilized to ensure consistency of the review.

Specific Outcome No.7 – Best Practices for Procurement of Materials and Services

Observation 7

The District’s standardized items list for Bond Program materials procurement is not current and potentially incomplete. We determined whether OUSD had and used a standardized items list and educational specifications for Bond Program materials procurement to identify facilities material requirements. We reviewed the OUSD Hardware Specifications Guideline Booklet and Draft Materials Standards document. Upon review we noted the following dates of specification updates:

1. OUSD Hardware Specification Guideline Booklet – 12/2/2014.
2. OUSD Materials Standards Draft dated 8/11/2021 (2018 Version is available at the District website).
3. Facilities Master Plan – 2012 (Current material standard is based on the 2012 Facilities Master Plan, but the District has posted FMP 2020 online).
4. OUSD Design Guidelines – 6/30/2020 – Draft.
5. Educational Specifications Elementary School Level – 5/14/2014 – Draft.
6. Educational Specifications Middle School Level – 5/14/2014 – Draft.
7. Educational Specifications High School Level – 5/14/2014 – Draft.
8. Essential Outdoor Classroom Elements – May 2013.
9. Door Hardware Specification Guideline – 12/2/2014.
10. Hydraulic Elevator Standards – June 2019 - Draft.
11. OUSD Minimum Wheelchair Lift Standards – 6/30/2020 – Draft.
12. Fire Alarm Standards – March 2021 (Current material specification is based on 2013 and 2014 standards).
13. Intrusion Alarm System Standards – March 2021 (Current material specification is based on 2013 and 2014 standards).
14. Combination Fire Alarm and Intrusion Alarm System Standards – 12/13/2015.
15. OUSD Standard Network Build Specification – 6/30/2020 – Draft.
16. Technology Services Data & Communications Specifications – 2/24/2021 - Draft.

As noted in the updates above, at least seven categories of standardized specifications are still in draft, signifying they are not complete, reviewed, and approved as standard specification for use within the District. No evidence of formalized policies was available to document the procedures to update the material standards. The District’s newest Material Standards, dated 8/11/2021, utilizes at least four categories of an older version of specifications and guidelines.

From a facility's safety perspective, external regulations mandate compliance with building codes. There exist multiple layers of an independent review to verify compliance. Nonetheless, standardized specifications are to promote efficiency, energy conservation and consider the community's educational needs. Lack of standardization could also lead to increased owner-initiated changes orders, which can increase the project cost or time to completion. As of June 30, 2022, there have not been updates on the draft as mentioned above reports.

Improvement Recommendations: The District should regularly update its standardized items and educational specifications list to accurately reflect the most current standards and guidance local and state governments provide. The manual should include material types, standard equipment and systems, manufacturer specification numbers, and minimum standards for new construction and modernization mandated by the District for projects undertaken. This manual should be provided to project architects and designers, and required products and system specifications should be provided to all bidders during the procurement process. As a best practice, these minimum standards mandated by the District should consider facility safety, energy conservation (e.g., Title 21 and 24), longevity, educational requirements, and other appropriate regulations and standards. Procurement staff should be trained to utilize the standard specifications when procuring materials or services for the District.

Additionally, the District should define how to update the Standards Specifications document. This policy should ensure that documentation exists, including the requestor and date of request, description of the change, cost-benefit relationship for the change, approver, and date of approval, and a time-stamped updated specifications document (see Recommendations 8 and 9.2 for further information). The cost-benefit analysis for significant specification changes should be approved by appropriate OUSD management. The Standard Specifications document should avoid including narrow scope requirements to prevent excessive pricing to OUSD.

Specific Outcome No.8 and 9 – Conflict of Interest and Compliance with State Laws and Guidelines and Board Policy

Observations 8 and 9.1

The District resolved the prior year's observations 8 and 9.1 related to Conflict of Interest. The District's Conflict of Interest Code Board Policy (BP 10000), effective March 25, 2021, defines the designated officials, who are required to file Form 700 to comply with the amended Political Reform Act of 1974, which requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. According to section 4 of the Standard Code, designated employees shall file Statements of Economic Interests (California Form 700) with the District, making the statements available for public inspection and reproduction (Gov. Code, § 81008). Based on the review of the board policy, we identified the following positions are required to file form 700 within the facilities department:

- Consultants
- Deputy Chief of Facilities, Planning & Management
- Executive Director of Facilities Planning and Management

The District provided the California Form 700, Statement of Economic Interest, filed by the Deputy Chief and the Executive Director of Facilities Planning and Management. As for consultants, the Bond Program supplemented the District-wide policy by providing an alternative conflict of interest form to be completed by all employees who work within that department. The alternative conflict of interest forms provides the equivalent information to Form 700. We reviewed 51 alternative conflict of interest forms and confirmed that all employees, including the Deputy Chief and Director of Facilities Planning and Management, had signed the conflict of interest forms.

Observations 8 and 9.2

Policies and procedures were updated, centrally located, defined roles and responsibilities, and readily available on the District’s website; however, some procedures are inconsistent and incomplete as of June 30, 2022. The District is making progress on implementing the prior year's bond performance audit report’s recommendations and following the published OUSD Facilities Department Standard Operating Procedures manuals online; however, key controls such as procedures to ensure compliance with Prop 39 requirements, collection of time documentation for all bond-funded employees, and procedures and document control for stakeholder reporting are not being addressed in the new manual. Our analysis considered the laws, policies, and regulations the District is subject to. Below is a summary of areas and objectives where we noted exceptions:

- Compliance with Ballot Language – See Conduct a Performance Audit.
- Change Orders and Claim Procedures – See Specific Outcome No. 5.
- Best Practices for Procurement of Materials and Services – See Specific Outcome 7.

As of June 30, 2022, the District continued to have two separate procedures manuals: *OUSD Procedures Manual*, finalized on September 2020, and *OUSD Facilities Department Standard Operating Procedures Manual*, published online. Although these two manuals complement each other, having two separate procedures manual increases the risk of inconsistent and confusing practices.

Improvement Recommendation: The district should continuously update and review the procedures manual to ensure the District policy and procedures reflect current requirements under State laws and regulations. The GFOA recommends, within their article “Documenting Accounting Policies and Procedures,” that the documentation of accounting policies and procedures should be evaluated annually and updated periodically no less than once every three years. Any changes in policies and procedures should be updated in the documentation promptly as they occur, and a specific employee should be assigned the duty of overseeing this process. We recommend that construction program procedures be documented, updated, and promptly approved. The resulting documentation can also serve as a useful training tool for staff. The District should determine and consolidate the procedure manual into one to mitigate the risk of inconsistent practices.

Conduct A Performance Audit (CAPA)

CAPA No. 1 – The ballot language addresses projects at the District, and school site levels; however, particular expenditures are not explicit the Bond language.

The current plan was adopted on June 5, 2020, via Board Resolution 1819-0211 to move forward with a permanent District Administrative Center at the former Cole Elementary School.

Interim administrative housing was not needed or contemplated at the time of Measure J's development or passage. Thus, it was not specifically delineated in the Bond Project List. However, the Bond Project List does include a reference to "administrative sites" and to renting facilities "on an interim basis." Further, the use of bond funds for interim administrative housing is explicitly contemplated under Measure J. The Measure J Bond Project List mentions the use of bond funds for "administrative sites," and it mentions the ability to use bond funds for "rental...facilities...on an interim basis, as needed to accommodate...personnel."

It should also be noted that the interim housing has been funded out of the taxable portion of the bond sales, which makes it compliant and measurable for our bond financing strategy.

CAPA No. 2 – For split-funded employees, the District does not have a documented basis for distributing salary between the narrow category of bond compliant construction projects, and routine everyday school facilities administrator expenses.

We agree that there is not a formal basis of allocation, but the 80 percent allocation for four specific employees is reasonable based on anecdotal evidence. To address this finding, the District will develop a time documentation for record keeping per the California School Accounting Manual (CSAM) Procedures 905.

The District has already developed a Time and Effort Certification Procedure. The procedure has been discussed with the immediate past Deputy Chief, and will be implemented by the Chief Business Officer, in lieu of the current recruitment for a new Deputy Chief. The procedure is provided here and will be implemented in alignment to the previously noted CSAM Procedure 905

CAPA No.3 - Although no instance of noncompliance was noted, there is an opportunity to strengthen internal controls over the approval procedure for certain interdepartmental transactions.

The District uses the Escape Accounting information systems which has workflow approval for vendor requisitions and purchase orders. Expenditures approval are mapped/workflowed by account components including the resource code component, the site component and manager component. Facilities personnel will monitor expenses for compliance where such expenses were approved by departments other than Facilities via those account components

CAPA No.4 - Although no instance of noncompliance was noted, there is an opportunity to strengthen internal controls over the approval procedure during the year-end financial closing process.

The District uses the Escape Accounting information systems which has workflow approval for vendor requisitions and purchase orders.

Invoices for products that require are reviewed by district staff. Products that require receiving are received in Escape prior to approving invoices for payment. If products have shipped or service rendered but payment can't be issued timely then these expenses are reviewed, approved and accrued where supporting documentation is supported. The District will apply the same or higher level of approval and review procedures over accrued expenditures, to ensure all expenditures recorded into the bond funds are allowable per voter approved ballot language for each measure as well as to ensure the invoice approval and documentation procedures over all bond related expenditures are consistently applied.

Specific Outcome No. 1 – Adherence to Design and Construction Cost Budgets

Observation 1.1 The Facilities Department agrees that cancellation of projects can lead to an inefficient Bond program. We have no objection to the measures recommended and welcome the opportunity to present regular Bond program progress reports. The District has also been communicative with the Board about these instances, which tend to cycle every two years as board members and potentially CBOC members change. We have asked the Board to adopt a policy to limit the number of changes for future boards to ensure we are able to complete planned projects with adjustments due to cost and/or other compliance or construction discovery issues, not material changes in program scope.

Observation 1.2 The District has reviewed its cycle of updates between the spending plan, CBOC, Facilities Committee, and Board and will develop a more robust recommendation and adopt practices to remain consistent in updates to budget modifications and adoption/approval.

Specific Outcome No. 2 – Adherence to Design and Construction Schedules and Timelines

Observation 2 The District has developed a master schedule for each project in Measure Y and Measure J to be completed, and has implemented the use of “Colbi-Doc (i.e. program management software)” to track each project budget, pending and approved change orders, and planned expenditures by fiscal year. Additionally, the District has developed a project status report that provides the projects scope, schedule, and budget that will be posted on the Facilities Department website.

Specific Outcome No.3 – Financial Reporting and Internal Controls

The District has demonstrated a continual improvement in this area.

Specific Outcome No. 4 – Payment Processing

Observation 4 We are pleased that our efforts to improve payment processing have demonstrated improvement, and we will further evaluate the recommendations presented.

Specific Outcome No. 5 – Change Order and Claim Procedures

Observation 5.1 We appreciate the recommendations for improvement and want to point out that all change orders are reviewed by the general counsel’s office or their designee before presentation to Board for approval. As of February 9, 2022 the District has updated its procedures manual to address the change order process to ensure consistency and compliance with GFOA standard practices.

Observation 5.2 We will investigate how to best summarize the salient issues in each change order and how we’re reporting on them to the key decision makers; however, all change orders of the contract are submitted to the School Board for approval.

Specific Outcome No. 6 – Bidding and Procurement Procedures

Observation 6.1 The District agrees and will recommend updates of the policies and procedures as well as train all staff on the protocols. The District currently does not engage as it would prefer in routine internal control audits, but is migrating to these types of procedures to ensure we are aligned with our policies during the interim periods to make immediate corrective action.

Observation 6.2 The District concurs with this recommendation and will take immediate action to modify workflow and review.

Specific Outcome No. 7 – Best Practices for Procurement of Materials and Services

Observation 7 The Department has updated the design standards for materials and equipment in collaboration with Buildings & Grounds as of August, 2021, and will work to update the education specifications. The District is in the process of hiring a Director of Planning whose scope or work will include the update of the design standards and the education specifications.

Specific Outcome Nos. 8 and 9 – Conflict of Interest and Compliance with State Laws and Guidelines and Board Policy

Observation 8 & 9.1 We are pleased to see acknowledgement that the prior observations were resolved.

Observation 8 & 9.2 Per Board Policy 10,000, on an annual basis, the School Board determines which positions are required to report. Due to changes in Program Assignments, implementation was inconsistent during this fiscal year. We appreciate the suggestion to regularly review and update our procedures manual to ensure that our documents are complementary and not conflicting and will be adding that review to our master calendar tasks.

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Appendix A – Interviews Performed
June 30, 2022**

Name	Position	Date Interviewed
Kenya Chatman	Acting Director of Facilities Planning & Management	2/28/2023
David Colbert	Acting Director of Facilities Planning & Management	3/10/2023
Michael Ezeh	Accounting Program Manager	Throughout the audit
Juanita Hunter	Administrative Assistant (Contracts & Bids Specialist)	Throughout the audit
Sandra Soo	Facilities Accountant II	Throughout the audit
Penti III, Tarpeh	Facilities Accountant II	Throughout the audit
Mary Ledezma	Project Manager- Laurel	2/27/2023
Nicole Wells	Project Manager- McClymonds	2/28/2023
William Newby	Project Manager- Glenview, EOP F&IA, MLK F&IA	3/1/2023
John Esposito	Project Manager- Frick	2/27/2023

**Oakland Unified School District
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**Appendix B – Review of Prior Year Audit
June 30, 2022**

The following table shows the current year status of each prior year performance audit observation.

Source	Prior Year Observation	Prior Year Recommendation	Current Year Status
CAPA 1	The ballot language addresses projects at the District and school site levels; however, particular expenditures are not explicit the Bond language.	Bond measures require long-term planning. There is always a trade-off between limiting a future Board's discretion to respond to the changing needs of the community versus the need to specify how each bond dollar must be spent. Key stakeholders may consider explicit language addressing this matter in a future ballot.	See current year CAPA No. 1
CAPA 2	The District does not have a documented basis for distributing salary between the narrow category of bond compliant construction projects, and routine everyday school facilities administrator expenses.	The District should formally document the basis for distributing salary between the narrow category of bond compliant construction projects, and routine everyday school facilities administrator expenses.	See current year CAPA No. 2
Observation 1.1	Although none in the current year, the District's project cancellation increases the risk of inefficient use of bond funds.	Project cancellation leads to inefficient use of bond funds. A policy allowing for interim updates to the annual spending plan may mitigate future similar projects' risk. In addition, the District should report the project schedule and planned expenditures by project and by funding source to ensure enough funds are available to complete a project. See the recommended reporting under Observation 2.	See Current Year Observation 1.1
Observation 2	The District does not include expenditures by timeframe based on project forecasts to validate that sufficient funding is available to meet the financial requirements of Measure J objectives.	The District should report the project schedule and planned expenditures by a project by funding sources to ensure enough funds are available to complete a project. The District should implement schedule reporting and control policies and procedures to ensure consistent tracking of Bond Program projects.	Resolved - See current year Observation 2

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Appendix B – Review of Prior Year Audit (Continued)
June 30, 2022**

Source	Prior Year Observation	Prior Year Recommendation	Current Year Status
Observation 4.1	There were instances where payment processing took longer than contractual requirements and was not supported by a payment application/invoice rejection letter justifying the delay.	The District should update the procedures manual to include a compliance review step to ensure the District’s compliance with contractual agreements, state laws and other regulations. The District should also update their documentation when there is any delay in processing the payment to justify the reason for the delay to mitigate the risk of noncompliance with state laws and regulations.	Resolved
Observation 5.1	The policies and procedures surrounding change order review and acceptance are applied inconsistently.	The District should continuously update the program procedures manual.	See current year observation 5.1
Observation 5.2	There is not a defined policy for reporting of meaningful change orders to key stakeholders.	As a best practice, the District should establish more robust change order reporting within Bond Program reporting to ensure end-users understand change order impact, assigned responsibility, and litigation exposure.	See current year Observation 5.2
Observation 5.3	Change orders are often classified as “error and omissions” due to the architect’s drawings, not including all specifications.	As a best practice, the District should define a "normal" scope of a change order classified as an architect "error and omissions."	See current year Observation 5.3
Observation 7	The District’s standardized items list for Bond Program materials procurement is not current and is potentially not complete.	The District should regularly update its standardized items and educational specifications list to accurately reflect the most up-to-date standards and guidance provided by local and state governments. The District should define how to make updates to the Standards Specifications document. This policy should ensure that documentation exists, including the requestor and date of request, description of the change, cost-benefit relationship for the change, approver and date of approval, and a time-stamped updated specifications document.	See current year Observation 7

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Appendix B – Review of Prior Year Audit (Continued)
June 30, 2022**

Source	Prior Year Observation	Prior Year Recommendation	Current Year Status
Observation 8 and 9.1	The District did not provide conflict of interest disclosure for specific management positions defined in the District's board policy within the facility department.	We recommend facilities management to discuss with legal counsel about the current policy, and any recommendations should be implemented by formal written policy. Discussion topics about if the facilities department should have a policy separate from the District, identification of positions subject to the policy, and manner in which reported conflicts of interest are resolved.	Resolved -See current year Observation 8 and 9.1
Observation 8 and 9.2	Policies and procedures were centrally located, defined roles and responsibilities and readily available at the District's website; however, some procedures are inconsistent and incomplete as of June 30, 2021.	The district should continuously update and review the procedures manual to ensure the District policy and procedures reflect current requirements under State laws and regulations. We recommend that construction program procedures are documented, updated correspondingly, and approved promptly. The resulting documentation can also serve as a useful training tool for staff. The District should determine and consolidate procedure manual into one to mitigate the risk of inconsistent practices.	See current year Observation 8 and 9.2

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Appendix C – Observation 5.2
June 30, 2022**

The following table contains the list of change order reviewed. See Observation 5.2 for additional details

Project Name	Project #	Vendor Name	CO/Amendment #	Reviewed by Internal Cost Estimator	Approved by Legal	Approved by Deputy Chief	Approved by Board?	Complied with PCC 20118.4?
Roosevelt Middle School Design Upgrades & Mod	19101	HKIT Architects	Amendment No. 1	Undetermined	Y	Y	Y	Y
Lease Rent for 1000 Broadway	N/A	Sparknight, LLC	Fifth Amendment	N/A	Y	Y	Y	Y
Facilities Planning & Management Project	00918	Cumming Management Group, Inc.	Amendment No. 1	N/A	Y	Y	Y	Y
Construction Management Agreement	00918	Cordoba Corporation	Construction Management Agreement - Amendment No. 1 Facilities Planning and Management Project	Undetermined	Y	Y	Y	Y
Facilities Planning & Management Project	00918	Sixth Dimension, LLC	Amendment No. 1	Undetermined	Y	Y	Y	Y
Facilities Planning & Management Project	00918	Kitchell	Amendment No. 1	Undetermined	Y	Y	Y	Y
Cole Administration Center Project	19119	Antonio, Inc.	Amendment No. 1	Undetermined	Y	Y	Y	Y
Cole Administration Center Project	19119	Ninyo and Moore	Amendment No. 2	N/A	Y	Y	Y	Y
Facilities Planning & Management Project	00918	Lowe Consulting Group, Inc.	Amendment No. 3	Undetermined	Y	Y	Y	Y
Bay Alarm Response & Patrol Services	20019	Bay Alarm Company	Amendment No. 1	Undetermined	Y	Y	Y	Y
Fremont High School Replacement	13159	LCA Architects	Amendment No. 7	Undetermined	Y	Y	Y	Y

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Appendix D – List of Expenditures Reviewed
June 30, 2022**

The following table lists expenditures selected and tested for compliance and assessed for internal control.

PO #	Vendor Name	Warrant #	Date	Amount
Measure B				
PO22-00320	OVERAA TULUM ECLIPSE JV	51441877	07/26/2021	\$ 519,015
PO22-08513	BAY CONSTRUCTION COMPANY	51540294	06/30/2022	470,830
PO22-00320	OVERAA TULUM ECLIPSE JV	51500409	03/04/2022	270,032
PO22-08514	BAY CONSTRUCTION COMPANY	51540294	06/30/2022	209,238
PO22-05304	BAY CONSTRUCTION COMPANY	51499719	03/04/2022	123,500
PO22-04399	BAY CONSTRUCTION COMPANY	51484605	01/21/2022	71,250
PO22-07176	NATIVE SOIL, INC.	51536394	06/30/2022	68,352
PO22-03858	HARDISON KOMASTSU IVELICH & TUCKER	51504274	03/18/2022	57,040
PO22-02033	NORTH AMERICAN FENCE AND RAILING,	51504403	03/18/2022	54,601
PO22-08617	DATA MEDIA SERVICES	51523674	05/26/2022	53,200
PO22-02034	S MEEK ARCHITECTURE	51484927	01/21/2022	53,084
PO22-03965	DIALOG DESIGN LP	51533379	06/27/2022	18,575
PO22-01466	MILESTONE DBA N.V, HEATHORN	51533569	06/27/2022	16,980
PO22-02598	DSK ARCHITECTS	51459605	10/14/2021	12,799
PO22-03071	JENSEN HUGHES	51467427	11/10/2021	8,820
PO22-08469	KING CONSTRUCTION INSPECTIONS	51540391	06/30/2022	5,930
PO22-08464	DECOTECH SYSTEMS	51536286	06/30/2022	5,852
PO22-04435	KW ENGINEERING	51540393	06/30/2022	5,206
PO22-00447	INNOVATIVE CONSTRUCTION CO.	51450854	09/03/2021	2,500
PO22-03731	CONSOLIDATED ENGINEERING LABORATORIES,	51484664	01/21/2022	2,497
PO22-04731	DEPT OF TOXICS & SUBSTANCES CONTROL -	51492025	02/04/2022	2,279
PO22-04400	R&S GLAZING SPECIALITIES, INC.	51500436	03/04/2022	1,404
PO22-03114	GEOSPHERE CONSULTANTS	51484593	01/21/2022	1,150
PO22-02031	FASTSIGNS	51509065	04/05/2022	850
PO22-05510	DAILY JOURNAL CORPORATION	51504184	03/18/2022	663
PO22-05509	SMALL BUSINESS EXCHANGE	51504503	03/18/2022	468
PO22-08398	EAST BAY BLUE PRINT AND SUPPLY	51203841	05/13/2022	313

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Appendix D – List of Expenditures Reviewed (Continued)
June 30, 2022**

PO #	Vendor Name	Warrant #	Date	Amount
Measure J				
PO22-08467	ACC ENVIRONMENTAL CONSULTANTS	51533229	06/27/2022	14,305.00
PO22-04790	ADCO/TURNER GROUP/ALTEN JOINT VENTURE	51495895	02/17/2022	154,093.47
PO22-00168	ALANIZ CONSTRUCTION,	51443856	08/06/2021	22,785.00
PO22-00169	ANTHONIO, INC.	51467293	11/10/2021	27,835.00
N/A	APPLIED MATERIALS ENGINEERING	51446757	08/20/2021	1,412.00
PO22-04705	ARBITRAGE COMPLIANCE SPECIALISTS, INC.	51523576	05/26/2022	5,000.00
PO22-03730	ATLAS TECHNICAL CONSULTANTS	N/A	06/30/2022	6,631.50
PO22-05354	BAY AREA COMMUNITY RESOURCES	51499716	03/04/2022	14,000.00
PO22-01035	BAY AREA NEWS GROUP-EAST BAY	51203735	05/13/2022	1,488.44
PO22-01135	BRAILSFORD & DUNLAVEY,	51510494	04/08/2022	203,844.00
PO22-01426	CAHILL/FOCON JOINT VENTURE	51533314	06/27/2022	1,513,735.00
PO22-01426	CAHILL/FOCON JOINT VENTURE	51450788	09/03/2021	948,487.00
PO22-01426	CAHILL/FOCON JOINT VENTURE	51479053	10/05/2021	679,823.00
PO22-01426	CAHILL/FOCON JOINT VENTURE	51459575	10/14/2021	616,049.00
PO22-01426	CAHILL/FOCON JOINT VENTURE	51484622	01/21/2022	483,070.00
PO22-01426	CAHILL/FOCON JOINT VENTURE	51469712	11/19/2021	435,996.00
PO22-01426	CAHILL/FOCON JOINT VENTURE	51484622	01/21/2022	418,943.00
PO22-01426	CAHILL/FOCON JOINT VENTURE	51523630	05/26/2022	236,684.00
PO22-01426	CAHILL/FOCON JOINT VENTURE	51523630	05/26/2022	213,236.00
PO22-01843	CANON SOLUTIONS AMERICA	51453993	09/17/2021	7,046.80
PO22-03825	CAROUSEL INDUSTRIES, INC.	51536260	06/30/2022	149,249.59
PO22-03115	CHPS,	51467345	11/10/2021	1,700.00
PO22-02253	CITY OF OAKLAND	51479054	10/05/2021	19,692.98
PO22-05927	COALITION FOR ADEQUATE SCHOOL HOUSING (CASH)	51504166	03/18/2022	100.00
PO22-04436	COLBI TECHNOLOGIES, INC.	51484660	01/21/2022	60,000.00
PO22-03734	COMTEL SYSTEM TECHNOLOGY	51495970	02/17/2022	3,669.00
PO22-08512	CONSTRUCTION TESTING SERVICES	51540332	06/30/2022	1,121.18
PO22-00786	CORDOBA CORP	51446788	08/20/2021	146,916.20
PO22-03112	CUMMING CONSTRUCTION MANAGEMENT	51540336	06/30/2022	102,805.00
PO22-05327	CYCLESAFE, INC.	51499785	03/04/2022	2,933.00
PO22-01547	DAILY JOURNAL CORPORATION	51454016	09/17/2021	1,381.77
N/A	DCG STRATEGIES	51446793	08/20/2021	7,336.25
PO22-00173	DECOTECH SYSTEMS	51499794	03/04/2022	16,312.14
PO22-04730	DEPT OF TOXICS & SUBSTANCES CONTROL -	51492027	02/04/2022	12,707.81
PO22-00852	DIALOG DESIGN LP	51533379	06/27/2022	14,990.00
PO22-06766	DIGITAL DESIGN COMMUNICATIONS	51509031	04/05/2022	47,542.99
PO22-00922	DIVISION OF STATE ARCHITECTS	51446799	08/20/2021	269,098.71
PO22-00453	DUDE SOLUTIONS, INC.	51454023	09/17/2021	27,621.84
PO22-04116	EAST BAY BLUE PRINT AND SUPPLY	51512362	04/15/2022	1,923.28
PO22-03733	ECLIPSE ELECTRICAL OF CAL.	51480881	12/17/2021	2,831.50

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Appendix D – List of Expenditures Reviewed (Continued)
June 30, 2022**

PO #	Vendor Name	Warrant #	Date	Amount
Measure J (Continued)				
PO22-00233	ELATION SYSTEMS	51441788	07/26/2021	38,625.00
PO22-00446	ENGEO INC.	51443920	08/06/2021	2,150.00
N/A	ESPOSITO, JOHN P	51446738	08/20/2021	48.72
PO22-02151	FAGEN FRIEDMAN & FULFROST	51203865	05/13/2022	35,622.50
PO22-02030	FASTSIGNS	51499843	03/04/2022	849.81
PO22-00167	G & G BUILDERS	51443929	08/06/2021	23,840.00
N/A	GELFAND PARTNERS ARCHITECTS	51492060	02/04/2022	198.75
PO22-01134	GOULD EVANS	51479060	10/05/2021	89,914.30
PO22-08886	GROUND PENETRATING RADAR	51536331	06/30/2022	1,100.00
PO22-00541	GUTTMANN & BLAEVOET	51536332	06/30/2022	6,707.50
N/A	HAVENAR-DAUGHTON, BRENDAN S	51463336	10/26/2021	24.00
PO22-05410	HERTZ ENVIRONMENTAL, INC.	51533459	06/27/2022	3,048.00
PO22-03498	INTEGRAL GROUP, INC.	51484762	01/21/2022	28,887.50
PO21-06757	INTER-COMMUNICATIONS	N/A	02/28/2022	(30.00)
N/A	ISOM ADVISORS A DIVISION OF URBAN FUTURES	51463514	10/26/2021	4,300.00
PO22-02922	JENSEN HUGHES	51492088	02/04/2022	10,408.21
PO22-05928	JOHNSON CONTROLS FIRE PROTECT.	51504304	03/18/2022	1,057.77
PO22-00784	KDI CONSULTANTS	51467437	11/10/2021	28,200.00
PO22-02919	KITCHELL/CEM	51469835	11/19/2021	38,165.00
PO22-01965	KW ENGINEERING	51509133	04/05/2022	8,100.00
PO22-02032	LAMPHIER-GREGORY	51480967	12/17/2021	16,720.00
PO22-00444	LAYA'S PARTNERSHIP	51443957	08/06/2021	15,907.50
PO22-00788	LCA ARCHITECTS,	51484797	01/21/2022	69,749.33
PO22-01467	LOWE CONSULTING GROUP INC.	51454074	09/17/2021	16,500.00
PO22-01430	LOZANO SMITH, LLP	51533533	06/27/2022	23,290.00
PO22-01584	LUCID-DG LOGIK	51473018	12/03/2021	3,499.00
PO22-00785	LUSTER NATIONAL INC.	51454076	09/17/2021	35,241.20
	MARCON CO.	51479063	10/05/2021	17,743.21
PO22-00676	MICHELLE FIERSTON	51536383	06/30/2022	2,250.00
PO22-01466	MILESTONE DBA N.V, HEATHORN	51459665	10/14/2021	16,346.00
PO22-03199	MILLENNIUM CONSULTING ASSOC.	51509169	04/05/2022	6,136.41
PO22-00781	MURAKAMI AND NELSON ARCHITECTURAL	51481031	12/17/2021	32,905.00
PO22-08618	NINYO & MOORE	51523894	05/26/2022	43,928.83
PO22-02630	NOR-CAL MOVING SERVICES	51500390	03/04/2022	28,651.36
PO22-01693	NORTH AMERICAN FENCE AND RAILING,	51492137	02/04/2022	3,887.00
PO22-03179	OJO TECHNOLOGY	51504414	03/18/2022	21,248.25
PO22-04959	PACIFIC GAS AND ELECTRIC	51496114	02/17/2022	32,101.56
PO22-01427	PUBLIC ECONOMICS	51504443	03/18/2022	2,193.75
PO22-02923	REDGWICK CONSTRUCTION	51484910	01/21/2022	180,428.75
N/A	REID, DONNEVA	51453892	09/17/2021	74.00

**Oakland Unified School District
2006 Measure B, 2012 Measure J, and 2020 Measure Y Funds**

**Appendix D – List of Expenditures Reviewed (Continued)
June 30, 2022**

PO #	Vendor Name	Warrant #	Date	Amount
Measure J (Continued)				
PO22-03130	ROOK ELECTRIC CO.	51538646	06/30/2022	74,560.00
PO22-02034	S MEEK ARCHITECTURE	51484927	01/21/2022	20,796.47
PO22-00170	SAFE 2 PLAY	51504476	03/18/2022	925.00
PO22-06934	SANDIS CIVIL ENGINEERS	51523975	05/26/2022	2,500.00
PO22-02362	SCHOOL FACILITY CONSULTANTS	51538647	06/30/2022	6,706.25
PO22-00720	SHAH KAWASAKI ARCHITECTS,	51515403	04/26/2022	55,201.02
PO22-00671	SIMS, LEE	51479069	10/05/2021	19,350.00
PO22-04014	SIXTH DIMENSION PMCM INC.	51481138	12/17/2021	136,647.75
PO22-00323	SMALL BUSINESS EXCHANGE	N/A	06/30/2022	2,106.00
N/A	SOO, SANDRA H	51446737	08/20/2021	41.52
PO22-00324	SPARKNIGHT LLC c/o CBRE-ASSET SERVICE DEPT.	51515422	04/26/2022	200,000.14
PO22-01533	SUNPOWER	51492216	02/04/2022	16,514.81
PO22-01694	SYSERCO	51467537	11/10/2021	1,707.00
PO22-01376	TERRAPHASE ENGINEERING,	51484978	01/21/2022	18,942.16
PO22-01695	TOSHIBA BUSINESS SOLUTIONS	51500152	03/04/2022	513.75
N/A	UNION PACIFIC RAILROAD COMPANY	51540491	06/30/2022	5,034.42
PO22-04588	WESTERN ROOFING SERVICE	51536515	06/30/2022	158,614.85
N/A	XEBEC DATA CORP.	51450982	09/03/2021	375.20
N/A	N/A	N/A	07/01/2021	244,451.44
Measure Y				
PO22-03197	ACC ENVIRONMENTAL CONSULTANTS	51533229	06/27/2022	7,747.18
PO22-04791	ANTHONIO, INC.	51536214	06/30/2022	1,250.00
PO22-04119	ARNTZ BUILDERS,	51203705	05/13/2022	1,864,795.50
PO22-04119	ARNTZ BUILDERS,	51203705	05/13/2022	827,922.21
PO22-01135	BRAILSFORD & DUNLAVEY,	51533307	06/27/2022	131,396.31
PO22-04398	CITY OF OAKLAND	51484654	01/21/2022	9,558.79
PO22-03111	CORDOBA CORP	51203805	05/13/2022	57,449.81
PO22-01536	DAILY JOURNAL CORPORATION	51536282	06/30/2022	693.78
PO22-04117	EAST BAY BLUE PRINT AND SUPPLY	51510499	04/08/2022	1,710.95
PO22-03858	HARDISON KOMASTSU IVELICH & TUCKER	51536333	06/30/2022	65,076.80
PO22-05409	HERTZ ENVIRONMENTAL, INC.	51533459	06/27/2022	3,048.00
PO22-06935	HIBSER YAMAUCHI ARCHITECT,	51536339	06/30/2022	26,857.00
PO22-08515	IDA STRUCTURAL ENGINEERS INC.	51533472	06/27/2022	12,600.00
PO22-00675	NINYO & MOORE	51533594	06/27/2022	56,850.74
PO22-04402	PERKINS EASTMAN ARCHITECTS DPC	51509206	04/05/2022	92,851.50
PO22-05408	SHAH KAWASAKI ARCHITECTS,	51533708	06/27/2022	68,258.78
PO22-05845	SMALL BUSINESS EXCHANGE	51509259	04/05/2022	468.00
PO22-08935	WestAmerica Bank- Cole WAB1919	51533273	06/27/2022	141,721.99
N/A	N/A	N/A	06/30/2022	621,847.76

**Oakland Unified School District
2006 Measure B and 2012 Measure J Funds**

**Appendix E – List of Contracts and Procurement Documents Reviewed
June 30, 2022**

The following table consists the list of contracts and procurement documents reviewed.

Project Number	Project Site	Contractor Name	Contract Price
Measure B			
15111	Martin Luther King, Jr	Bay Construction Company	\$ 998,000
Measure J			
21117	Oakland High School	SunPower Corporation, Systems	1,438,735
21110	McClymonds High School	Perkins Eastman Architects DPC	1,234,302
15110	East Oakland Pride Elementary	Bay Construction Company	1,153,000
21113	CCPA at Havenscourt HS	Shah Kawasaki Architects	1,125,011
15111	Martin Luther King, Jr	Bay Construction Company	998,000
00918	Facilities Planning & Management	Cordoba Corporation	900,000
00918	Facilities Planning & Management	Kitchell	900,000
00918	Facilities Planning & Management	Cumming Management Group, Inc.	900,000
00918	Facilities Planning & Management	Sixth Dimension, LLC	900,000
17117	East Oakland Pride Elementary School	G & G Builders, Inc.	596,516
Measure J & Y			
17115	Castlemont High School	CWS Construction Group, Inc.	8,374,500
Measure Y			
15127	Claremont Middle School	Arntz Builders, Inc.	15,985,725
17126	Laurel Child Development Center (CDC)	Arntz, Builders, Inc.	14,174,463
17115	Castlemont High School	CWS Construction Group, Inc.	8,374,500
21117	Oakland High School	SunPower Corporation, Systems	1,438,735
21110	McClymonds High School	Perkins Eastman Architects DPC	1,234,302
15110	East Oakland Pride Elementary	Bay Construction Company	1,153,000
21113	CCPA at Havenscourt HS	Shah Kawasaki Architects	1,125,011