

**State Allocation Board Audit Subcommittee  
Audit Working Group  
Meeting of October 9, 2012**

**10:00am – 12:00pm**

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Welcome and Introductions. *AWG, Panel, and SAB/OPSC staff*

Background to current process, review current AWG recommendations and Audit Subcommittee comments/requests to consider use of Proposition 39 audits for SFP-funded projects. *Bill Savidge & Rick Asbell*

**Proposition 39 Audits Expert Panel Presentations**

1. **Statutory and Legal Framework.** Marilyn Cleveland, Dannis Wolliver and Kelley
2. **Citizen Oversight Committee perspective.** Anton Jungherr, California League of Citizen Bond Oversight Committees
3. **School Districts and Prop. 39 Performance Audits.** Michael Bishop, CBO/Deputy Superintendent, Santa Ana Unified School District.
4. **Performance Auditors Perspective.** Christy White, Christy White Accountancy.

15 min. each presenter max. See presenter focus areas document.

Questions, dialogue and discussion of issues with Audit Working Group members.

Public comment.

Next steps, further information needed, implementation issues, other considerations related to Prop. 39 audits and SFP-funded projects.

Schedule next Audit Working Group meeting as a follow for consideration of updated recommendations to the Audit Subcommittee.

Adjourn.

**State Allocation Board Audit Subcommittee  
Audit Working Group Meeting of October 9, 2012  
10:00 am State Capitol, Sacramento Room 447**

**Proposition 39 Audits Expert Panel Review**

**Background:** At the direction of the State Allocation Board's Audit Subcommittee, staff has been asked to look at the option of using school district Proposition 39 (Prop. 39) audits as a vehicle for auditing state School Facilities Program (SFP) projects. We have assembled a panel of experts to provide background and review of this option at the upcoming meeting of the Subcommittee's Audit Working Group. The expert panel members and their focus areas are proposed as follows.

**Marilyn Cleveland**, Dannis Woliver Kelley: Attorney with extensive experience assisting school districts with Prop. 39 compliance, including setting up Citizen Bond Oversight Committees, and the legal framework for Prop. 39 compliance.

Presentation topic areas: Statutory/regulatory background for Prop. 39 audits; legal issues with the audits—including requirements for the audits, standards, scope, acceptance and review of the audits. What are the legal issues associated with including SFP-funded projects in the audit scope in school district Prop. 39 audits?

**Anton Jungherr**, Executive Director/Co-Founder of California League of Bond Oversight Committees (CALBOC): Former CBOC member, accountability advocate.

Presentation topic areas: Prop. 39 audits, recent legislation changing standards and requirements; Prop. 39 audit process from a CBOC perspective—working with school district, CBOC audit subcommittee development of scope and areas of review. What are the issues from an oversight committee perspective with including SFP-funded projects in the audit scope in school district Prop. 39 audits?

**Michael Bishop**, CBO and Deputy Superintendent for Operations, Santa Ana Unified School District. CBO with extensive school facilities experience, with the SFP and with local Prop. 39 bonds, including coordinating and managing CBOC's and Performance Audits in school districts.

Presentation topic areas: Prop. 39 audits from a school district perspective, managing the process and working with the CBOC on scope, responding to the audits, costs. What are the issues from a school district perspective associated with including SFP-funded projects in the audit scope in school district Prop. 39 audits?

**Christy White**, CPA Christy White Accountancy: Prop. 39 audit practitioner, with a strong background in providing Prop. 39 audits for school districts and working with citizen oversight groups.

Presentation topic areas: Auditor's perspective on Prop. 39 audits; working with CBOC's and school districts on the audit scope, process, costs. What are the issues from an auditor's perspective to including SFP-funded projects in the audit scope in school district Prop. 39 audits?