

**VICTOR VALLEY COLLEGE DISTRICT
MEASURE JJ
CITIZENS' BOND OVERSIGHT COMMITTEE**



STUDENT COURTYARD AT THE NEW REGIONAL PUBLIC SAFETY TRAINING CENTER

**THIRD ANNUAL REPORT TO THE
VICTOR VALLEY COLLEGE BOARD OF TRUSTEES
AND THE PUBLIC
AS OF JUNE 30, 2011**



MEET THE MEMBERS OF THE 2011 CITIZENS' BOND OVERSIGHT COMMITTEE

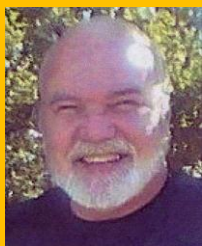


"It is a distinct privilege to serve with such a tenacious and inquisitive oversight team which strives to bring transparency to the expenditures of your tax dollars."

Diana J. O'Malley, Chair, Active in an Organization Supportive of the College

"Congratulations to the voters of the Victor Valley for approval of Measure JJ. You have made a tremendous contribution to the education of our future leaders."

Caroll Yule, Vice Chair, At-Large Community Member



"Budgets tell a story. You just have to look and listen and report. There is no better way to find the heart of a community than through its budgeting decisions. Serving on this committee has shown me the caring of heart of this collegiate body."

Michael Brewer, Taxpayer Organization Representative

"I am proud to serve taxpayers, while assisting education innovation at Victor Valley College."

Jeremiah Brosowske, Student, Active in Student Government



"I am very pleased to have served the entire High Desert region through my participation on the Victor Valley College Bond Oversight Committee. The Victor Valley College Regional Public Safety Training Center that will open in April was made possible by proceeds from the Measure JJ Bond and is an accomplishment of which I am particularly proud."

Rudy Cabrales, At-Large Community Member

"It has been a pleasure for me to serve as the Representative of the Senior Citizen Group on the CBOC."

Richard Greenwood, Senior Citizen Group Representative



"I have been very impressed with how carefully the CBOC reviews projects slated for Bond Fund disbursement. The public should be pleased with the additions and improvements made to VVC with these funds."

Diane Uli, At-Large Community Member

"I am honored to be working with a great, loyal, honest and ethical team. I and this committee care about this community, college, education and the well-being of people. Thank you."

Tosca Walker, Business Representative



ROLE OF THE OVERSIGHT COMMITTEE

On October 14, 2008 the Victor Valley Community College District's Board of Trustees adopted Resolution 08-07, establishing a Citizens' Bond Oversight Committee.

The purposes and functions of the Citizens' Bond Oversight Committee (CBOC) are set forth in Proposition 39, codified at section 15264 of the California Education Code. Consistent with the stated policy of the state of California, this District undertakes vigorous efforts to ensure that the expenditure of bond measures are in strict conformity with the law; that taxpayers directly participate in the oversight of bond expenditures; and, that the members of the oversight committee promptly alert the public to any waste or improper expenditure of school construction bond money. (Cal. Educ. Code section 15264.)

The duties of the Citizens' Bond Oversight Committee include informing the public, reviewing bond related expenditures, and presenting an annual report to the District's Board of Trustees. In discharging its duties, the committee meets quarterly in meetings open to the public, to discuss construction progress, and on-going bond funded expenditures.

The committee is comprised of eight members: one business representative active in a business organization representing local business; one Senior Citizen Group Representative active in a bona fide senior citizens organization; one taxpayer organization member active in a bona fide taxpayer's association; one student active in Student Government; one representative active in an organization that is supportive of the college, and three at-large community members.

This document represents the Committee's third annual report to the District Board of Trustees and the public on its review and findings of the expenditures of bond funds.

Measure JJ

In November 2008, a general obligation bond proposition Measure JJ of the Victor Valley Community College District was approved by more than fifty-five percent of voters in the District. The Election of 2008 authorized the District to issue up to \$297,500,000 of general obligation bonds to upgrade, expand, and construct school facilities. The passing of this bond will enable the college to meet the needs of its growing community.



CBOC members are given an on-site construction project report at the Regional Public Safety Training Center.

The Committee meets quarterly -
March, June, September and December
The agenda, minutes, and reports of the committee are posted at:
<http://www.vvc.edu/measurejj>

A MESSAGE FROM THE CITIZENS' BOND OVERSIGHT COMMITTEE

The Citizens' Bond Oversight Committee is pleased to present our 2010 – 2011 Annual Report

We, the members of the Citizens' Bond Oversight Committee (CBOC) present our fiscal year-end report to the Board of the Trustees and the public, as of June 30, 2011. The timing of our report is dependent upon performance audit results which were released by the Victor Valley College District in January of 2012. We are pleased to report the progress of the bond projects and the propriety of all expenditures as confirmed by findings of the audit report.

2010-2011 was a tough year economically. The sale of additional Bonds to secure project funds continues to be suspended pending a recovery of the assessed value of our community's real property. The restrictions on bond sales have been carefully followed by the District and its staff in the course of complying with Measure JJ. The inability to sell additional bonds places a damper on exciting new projects; however, bond funds did not sit idle. The opportunity to reconstruct and revitalize aging infrastructure on the District's main campus provided a different yet necessary direction in which to turn construction efforts.

Main Campus projects, found on pages 7 and 8 of this report, brought a much improved circulation plan to the campus, safe traffic flow and increased parking availability. The addition of energy - efficient lighting in parking lots across the campus increased safety, while decreasing cost of electricity. Similarly, completion of the replacement of aging boiler room equipment and HVAC equipment allowed for more efficient cooling and heating of structures, resulting in utility cost savings to the district's general fund. CBOC members continued to express concern about improvements and upgrades versus maintenance on all main campus

projects. The CBOC was split on this issue and opinion of bond counsel was received which supported the projects.

We are proud to report that 83% of the work performed on the main campus improvements utilized the services of local contractors and professionals in keeping with the goal of the district trustees to keep our tax dollars "local".

During the fiscal year ending June 30, 2011, approximately 37% of the Regional Public Safety Training Center was completed utilizing nearly \$14 million dollars of bond funding. The committee was advised of concerns by local contractors relating to the timeliness of payments. Once resolved, the project was in full swing. The total project is budgeted for \$31 million dollars, and by the time this report is presented, should be complete.

Congratulations to all involved in the Regional Public Safety Center Construction for not only being efficient and timely in the construction process but also being cost efficient and bringing the project to completion within and potentially under budget.

Finally, the CBOC's analysis of expenditures as appropriate or substantiated was confirmed by a performance audit in which the auditors were able to examine an impressive 88% of all of the annual bond expenditures. The auditors found no irregularities or deficiencies in financial controls. All expenditures met the criteria of and were authorized by Measure JJ. District Administration and Staff are to be congratulated for their efficiency and transparency, qualities often lost in government bureaucracies.

The CBOC envisions ongoing success and benefit to the community as a result of Measure JJ.

Respectfully submitted,
Citizens' Bond Oversight Committee Members

Your 2010 – 2011 Oversight Committee Members

Diana J. O'Malley (Chair)
Active in Organization Supportive of
the College

Caroll Yule (Vice-Chair)
At-Large Community Member

Michael Brewer
Active in a Taxpayers Organization

Jeremiah Brosowski
Student in District and Active in
Student Government

Rudy Cabriales
At-Large Community Member

Richard Greenwood
Senior Citizen Group Representative

Diane Uli
At-Large Community Member

Tosca Walker
Business Representative

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Statement of Purpose/Responsibilities of the Citizens' Bond Oversight Committee

The Measure JJ Citizens' Bond Oversight Committee serves as representatives of local residents, businesses and community organizations, to monitor the expenditures of Measure JJ funds. The Committee reviews the progress and expenditure reports to ensure bond proceeds were expended only for the purposes set forth in the Measure JJ bond, and reports their findings annually to the Victor Valley Community College Board of Trustees via this report.

EXPENDITURE RECAP FOR THE 2010 – 2011 FISCAL YEAR

	Additions	Deductions	
Beginning Balance			\$64,18,325
Revenue			
Interest Revenue	\$601,810		
Misc. (Stale-dated Check)	\$5,000		
Expenditures			
Main Campus		\$2,978,646	
Regional Public Safety Training Center		\$13,744,319	
Westside Workforce Development Center/Hesperia Site		\$50,401	
Other Costs (Legal Expenses, etc.)		\$16,323	
Ending Balance	\$606,811	\$16,789,688	\$48,635,448

RESULTS OF MEASURE JJ PERFORMANCE AUDIT

The accounting firm of Vavrinek, Trine, Day & Company conducted a 2010-11 annual external audit of the Bond JJ expenditures.

The auditors conducted their review in accordance with Government Auditing Standards, issued by the Comptroller General of the United States. They examined revenues and expenditures of Bond funds made by Victor Valley College.

The auditors examined 88% of actual expenditures incurred during the year to arrive at their recommendations. Clear statements summarize the auditors' findings regarding the appropriate use of Measure JJ Bond funds. The Audit Report is available online at [www: http://www.vvc.edu/offices/fiscal_services](http://www.vvc.edu/offices/fiscal_services) .

“We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined “by standards above”. (pg. 9)

“The result of our tests indicated that the District expended Proposition 39 Measure JJ General Obligation Bond Funds only for the specific projects approved by the voters, in accordance with Proposition 39 and outlined in Article XIII A, Section 1(b)(3)(C) of the California Constitution”. (pg. 1)

“The results of our tests indicated that, in all significant respects, Victor Valley Community College District has properly accounted for the expenditures held in the Bond Funds (Measure JJ), and that such expenditures were made for authorized Bond projects. There were no salaries of administrators charged to the Bond Funds for District general administration or operations.” (pg. 4)

Vavrinek, Trine, Day & Co., LLP
 Certified Public Accountants

REGIONAL PUBLIC SAFETY TRAINING CENTER

Total Funds Expended for Fiscal Year 2010-2011: \$13,744,319



Main Entrance

The Regional Public Safety Training Center is now substantially complete. It opened its doors to students for the very first time February 13, 2012 for the spring Semester.

Construction was completed February 8, 2012, less than two years from commencement, and only punch list items remain to be completed. All props in the prop training yard are functional and ready to be used for training in this state-of-the-art facility.

This facility is really one of a kind, combining educational training for Fire, EMT, and Administration of Justice classes housed in this LEED GOLD certified facility that uses 250 Kw of self-generated solar power incorporated into covered parking. LEED GOLD is an environmental scorecard of achievement in which facilities are gauged and awarded various levels of outstanding environmental achievement.

The facility has ultramodern smart classrooms, conference rooms, and computer labs that will provide exceptional educational opportunities for students. The Administration of Justice program will use a new tactical firing range incorporating three dimensional scenarios with life-like video



Rail Car

The EMT program will be training on computerized mannequins and incorporating video monitoring to better evaluate students' progress.

Fire Technology students will not only get the best training available in the new fire tower, but will also be able to use props for rescue training such as rail cars, confined space rescues, collapsed buildings and many more.

Fire Tower



MAIN CAMPUS IMPROVEMENTS

Total Funds Expended for Fiscal Year 2010-2011: \$2,978,646



ROADWAY & PARKING LOT REPLACEMENT

The campus has seen many changes over the last year. The deteriorating roads and parking lots exceeded their normal lifetime expectancy. The Facilities department along with local architectural firm, Frick, Frick, & Jette, and engineering firm, Merrell Johnson Engineering, Inc. redesigned the parking lots and roadways to create more parking stalls, and a clearer path of travel for all who visit the campus. Local contractor, Cooley Construction, performed the work. 83% of the budget for this project was contracted with local firms in the High Desert Community.

The circular turn-around just off the main entrance at Jacaranda, enables traffic to access the westerly half of the campus from the main entrance. The West Campus Drive was extended, connecting the upper and lower portions of the campus while relieving congestion in the heart of the campus by the V.V.T.A. bus stop on Jacaranda.

The Campus Wide Roadway and Parking Lot Replacement project, which was completed at the end of 2011, included replacement of nearly the entire "loop" road that circles the campus, as well as removal and replacement of the majority of parking lots on campus. The parking lots were redesigned to allow for additional parking stalls and to create a more defined traffic pattern making it easier to transition through the parking lots.



Campus Energy Projects

Campus Energy Management System: The campus energy management system was replaced by Compass Energy allowing the district to better control all of the District's facilities H.V.A.C. systems. The Allied Health building was also tied into the Central Plant heating and cooling system, removing it from its older standalone system and providing better comfort levels for occupants. Work has been completed on the retrofit of all outdoor campus lighting through Compass Energy Solutions. This work involved replacing all campus parking lot lighting on exterior buildings. All campus exterior lighting will also be controlled by the new system which is web-based. The District will realize substantial energy savings with the completion of these projects.

Main Gymnasium H.V.A.C.: This project involved the removal and replacement of the cooling system on the main Gym building #72. The older inefficient evaporative system was replaced with a new energy efficient cooling system providing better climate control and savings through energy efficiency.

Boiler Replacement: The District purchased and replaced outdated boilers with new, energy efficient gas fired boilers in Buildings 50 & 52. These boilers were 45 years old and long past their useful, productive life. The District will realize substantial savings in both energy cost as well as a better comfort level for our students and staff.

REAPING THE BENEFITS OF VVC SOLAR FACILITY



VVC established a one-megawatt photovoltaic solar field in 2009, which was partially supported by Bond JJ funds. The solar field generates approximately 30% of the electricity consumption of the campus, which represents a saving of nearly \$330,000 per year. In addition, the District received on the order of \$600,000 in 2011 in California Solar Incentive revenue. The present aggregate benefits from the solar project to VVC are in the region of \$1,000,000.

In addition to cash savings to the District, the new energy efficient projects brought renewable energy classes to the mix of students of VVC. Successful completion of these classes provide students with employment opportunities throughout the region and enable our foreign students to take the technologies back to their home countries, including Mexico, Thailand, Africa and Vietnam. The faculty of Victor Valley College is proactive in accessing the needs of the community and providing the appropriate education and training to meet these challenges.

LOOKING TO THE FUTURE: PROPOSED BOND FUNDED PROJECTS

In a tough economy, maximizing the use of limited bond funds is essential. At the June 8, 2011 Board of Trustees meeting, the District submitted for approval a list of projects recommended by shared governance committees to use the remaining bond funds secured in 2009. Until the economy recovers, additional bond funds cannot be sold. The CBOC supports the District's objective to make the immediate use of available bond funds.

By using data gathered from the 2007-2017 Facilities Master Plan, the 2011 Room Use Analysis, the 2010 Five Year Plan, the 2010 Space Inventory, 2011 Praise Reports, and the Accreditation Report – Standard IIIB, the District developed the following list, of additional qualified bond projects at their June regular meeting which was approved by the Board of Trustees. These include:

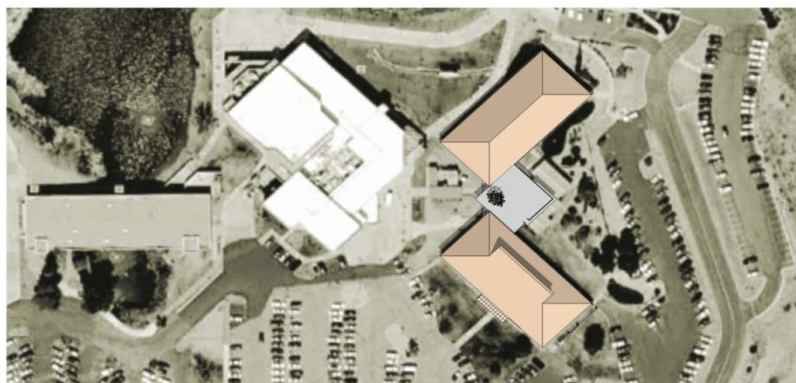
- ✓ Health Science Building Expansion
- ✓ Additional Campus Energy Projects
- ✓ Vocational Complex Expansion/ Renovation
- ✓ One Stop Center Building 50 & 52
- ✓ Music Building Modernization
- ✓ Campus / I.T. Infrastructure



Vocational Opportunities



Science Building



VICTOR VALLEY COLLEGE
STUDENT SERVICES BUILDING

FEBRUARY 2011 gkkworks

The Citizens' Bond Oversight Committee wishes to thank G.H. Javaheripour and Steve Garcia of Victor Valley College, along with Al McQuilkin of gkkworks construction company for their diligence and commitment to the efficient utilization of bond funds, to the completion of construction projects at or under budget and to meeting the Measure JJ project objectives. Special thanks to Michelle Messer and Shirley Snell-Gonzalez for their Administrative Support and especially for their PATIENCE in meeting the requests of the CBOC members.



Board of Trustees

Joe Range, President
Lorrie Denson, Vice President
Michael Krause, Clerk
Joseph W. Brady, Member
Dennis Henderson, Member
Christopher Dustin, A.S.B. President and Student Trustee

District Administration

Christopher O'Hearn, Superintendent / President
Peter Allan, Executive Vice President, Instruction and Student Services
G.H. Javaheripour, Vice President, Administrative Services
Fusako Yokotobi, Vice President, Human Resources