

Report criticizes Grossmont for initial handling of bond

Review praises current officials

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EAST COUNTY – The Grossmont Union High School District could have been more open, organized and fiscally responsible in managing its multimillion dollar bond program, according to a report released yesterday.

In 2004, East County voters passed Proposition H, a \$274 million bond measure intended to fund repairs at schools and construction of a new school in the Alpine area.

About 20 percent of the work has been done, said Scott Patterson, the district's deputy superintendent for business services, but escalating costs have threatened the chances of finishing all projects.

The \$15,000 consultants' report, billed as an independent, third-party review, praises the current direction of the bond program but criticizes its initial handling.

“Prior to the current administration, there was a lack of overall Program Management and budget control,” the report states. “This has currently been corrected by the District.”

Still, La Mesa's AF Consultants offer suggestions to the district's current governing board, including hiring a program manager to oversee the work, setting financial reporting standards for projects, and providing more information to the public.

Patterson said the district was already moving ahead on all the recommendations.

“There was nothing that wasn't already on our radar screen,” he said. “I think we're making progress on all of those.”

The governing board approved one recommendation Wednesday night, a few days after first seeing the report. Trustees voted to hire a team of two contractors to serve as program manager. The trustees are to discuss the report at their Sept. 6 meeting.

Board President Priscilla Schreiber said yesterday that she wished the district had commissioned it years ago. She said she didn't realize the need because “there was not a lot of talking about this.”

The governing board had long been criticized for a lack of openness regarding bond spending and contracting. After the November 2006 election, a shift in board leadership also brought promises of reform.

Schreiber said she wants to focus on improving the program.

District officials announced this year that the original \$400 million cost for the work – to be funded by bond revenue and state matching funds – grew to more than \$600 million due largely to rising construction costs. The cost is now about \$575 million.

The report says the district did an inadequate estimate of the cost before the March 2004 bond vote, which was only made worse by construction cost increases.

Problems with oversight of the program occurred as well, the report states, and inconsistent project reports made it difficult to track costs.

“There appeared to be no . . . rigorous management of the program,” the report states.

However, the consultants said they understand “a new financial tracking system has been developed which currently results in better reporting.”

The report was conducted between May and July and based on data collected through documents and interviews with district officials.

Mark Price, chairman of the district's Bond Advisory Commission, said he was pleased the report highlighted similar issues his group of citizen volunteers presented to the board in June.

“I hope that with the commission's report, as well as the third party review, that the district will take these things to heart, as I believe they are,” Price said.

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