# Alum Rock Union School District

## Board of Trustees Response to the 2025–2026 Santa Clara County Civil Grand Jury Report

### *“Known Problems, Unfinished Solutions”*

# I. EXECUTIVE SUMMARY

The Alum Rock Union School District Board of Trustees acknowledges that the Civil Grand Jury report identifies serious and longstanding concerns involving governance, financial management, transparency, implementation of audit recommendations, bond oversight, and long-term fiscal and facilities planning.

The Civil Grand Jury concluded that repeated external reviews had identified deficiencies that were not consistently corrected and specifically emphasized the need for sustained execution and accountability.

The Board accepts that fundamental premise.

The District's response to this report therefore will not be limited to a series of one-time corrective actions. The Board is establishing a formal system of Standard Operating Procedures, implementation tracking, public reporting, assigned accountability, deadlines, and independent verification designed to ensure that corrective actions become institutional practice.

The Board's overarching commitments are:

1. Establish a centralized audit and corrective-action tracking system.
2. Require quarterly public reports on implementation of outstanding audit and Grand Jury recommendations.
3. Strengthen Citizens' Bond Oversight Committee operations and continuity.
4. Establish continuous CBOC recruitment procedures.
5. Conduct retrospective citizen oversight of bond expenditures during the period when the CBOC was inactive.
6. Strengthen financial, procurement, contract, and internal control procedures.
7. Establish enforceable standards for public posting of Board and financial information.
8. Maintain a rolling five-year budget plan and develop a longer-term fiscal strategy.
9. Develop and maintain a long-term capital and facilities plan.
10. Strengthen Board/Superintendent governance protocols and accountability.
11. Establish an annual Districtwide compliance calendar with assigned responsibility for every major statutory, fiscal, audit, Board, bond, and reporting deadline.
12. Provide periodic independent verification that corrective actions represented as completed have been implemented.

The Civil Grand Jury's own findings and recommendations call for a detailed implementation plan, quarterly Superintendent reports, and an independent follow-up review of the Harvey Rose recommendations.

# II. RESPONSE TO FINDINGS

## FINDING 1a

The district has not followed through on commitments to address deficiencies in governance, financial management, and transparency identified in prior audits.

### BOARD RESPONSE: PARTIALLY DISAGREE

The Board agrees that the district has not consistently implemented and sustained corrective actions arising from prior audits and external reviews.

The Board recognizes that accepting recommendations without establishing specific responsible parties, deadlines, documentation requirements, Board monitoring, and verification created conditions in which corrective actions could remain incomplete or lose priority during changes in leadership.

The Board further recognizes that implementation cannot depend upon institutional memory or individual administrators. Accordingly, the Board will establish a centralized Audit Recommendation Tracking and Accountability System covering FCMAT, California State Auditor, Harvey Rose, Civil Grand Jury, annual financial audits, bond audits, and other independent reviews. Every recommendation will have an assigned administrator, required deliverable, target completion date, status, supporting documentation, and verification mechanism.

The Superintendent will provide the Board with quarterly written implementation reports until all applicable recommendations have been completed.

The Board disagrees to the extent that some deficiencies in governance, financial management, and transparency identified by the Grand Jury have been addressed by the Board, as evidenced by Moody's recent upgrade of Alum Rock Union Elementary School District's issuer rating from A2 to A1. Moody's also assigned the District's General Obligation Unlimited Tax (GOULT) bonds an Aa3 rating, which is considered a high-grade investment rating. The District's General Obligation Bonds, 2022 Series B, were also assigned an Aa3 rating.

These upgraded ratings reflect the District's continued commitment to sound fiscal stewardship, strong financial management, and long-term financial stability.

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# FINDING 1b

Many District officials were not familiar with the content and recommendations of the FCMAT, California State Auditor, and Harvey Rose audits.

### BOARD RESPONSE: PARTIALLY DISAGREE

The Board agrees that institutional familiarity with significant audit findings and recommendations must be improved. The Board disagrees that all District officials' scopes of responsibility are impacted by the Civil Grand Jury's report, findings and recommendations.

Key audits and external reviews should not be treated solely as historical records or documents confined to individual departments. They must form part of the district's ongoing governance, administrative, fiscal, and compliance framework.

The Superintendent will establish procedures requiring appropriate administrators to review audit findings relevant to their responsibilities and acknowledge their assigned corrective actions.

The district also will maintain a centralized electronic repository of external audits, recommendations, corrective-action plans, and implementation status reports accessible to appropriate administrators and, where legally appropriate, the public.

New Cabinet-level administrators whose responsibilities involve an outstanding audit recommendation will receive a formal transition briefing regarding that recommendation.

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# FINDING 2a

The district's website content on school operations frequently has obsolete or missing data.

### BOARD RESPONSE: PARTIALLY DISAGREE

A public school district has a responsibility to provide families, employees, taxpayers, community members, and oversight agencies with timely and accessible information. The Board disagrees in part because all Board agendas and supporting documents are posted timely per the requirements of the Brown Act. The District has also recently implemented the CSBA Gamut Simblii platform for posting Board agendas and agenda materials on its website and which helps to ensure easier access to Board and District information.

The Superintendent will direct a Districtwide website audit and establish a formal website-management SOP assigning ownership of each major section of the District website.

Departments will be responsible for reviewing designated content according to an established schedule, and obsolete documents will be updated, archived, or removed as appropriate.

Required financial reports, audits, Board information, CBOC materials, salary schedules, budget documents, policies, and other public records will be incorporated into a compliance checklist.

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# FINDING 2b

The Board's meeting videos, materials, and minutes are often missing from the district website or are not published promptly.

## BOARD RESPONSE: PARTIALLY DISAGREE

Board agendas and materials are timely posted and made available to the public per the requirements of the Brown Act. The Board further notes that neither state or federal law or District policy or regulation requires the video recording of all Board meetings.  Video recording requires staff time and expense. The Board reserves the right to decide whether any meeting will be video recorded.

The district will establish written timelines and responsible personnel for posting Board agendas, supporting materials, adopted minutes, meeting videos (for those meetings that are recorded), and other public records, subject to applicable confidentiality requirements.

A secondary quality-control process will periodically verify that public links remain operational and that required documents remain accessible.

The Board will also receive periodic compliance reporting when established posting deadlines are not met.

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# FINDING 3

Board-initiated superintendent turnover has undermined the Board's ability to set goals and execute a coherent strategy for the district.

## BOARD RESPONSE: DISAGREE

The Board agrees that leadership stability is important to establishing and sustaining a coherent District strategy.  The Board also notes that the recruitment and selection/hiring of a Superintendent is a power expressly reserved to the Board, which also includes the responsibility of oversight. The Board disagrees with the finding to the extent it implies that past Superintendent turnover was unwarranted, unnecessary or without justification or basis under applicable employments contracts. Due to confidentiality and privacy concerns, the Board is not able to comment on any reasons underlying the separation from employment with the District by any former superintendent.

The Board recognizes its responsibility to maintain appropriate governance boundaries, establish clear expectations, evaluate the Superintendent fairly and consistently, and maintain professional communication protocols.

The Board has appointed Dr. Marnie Hazelton as Superintendent of Schools, effective August 1, 2026, and is committed to establishing a stable Board/Superintendent governance relationship focused on student achievement, fiscal stewardship, organizational effectiveness, transparency, and community confidence.

Going forward, the Board will establish clearly defined Board/Superintendent operating protocols, annual goals, evaluation timelines, communication expectations, and governance training.

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# FINDING 4a

The District and Board were negligent in failing to maintain a functioning CBOC from May 2021 through December 2025.

## BOARD RESPONSE: DISAGREE

Per Education Code section 15280, the Citizens' Bond Oversight Committee must meet at least once each year. The Board agrees that the District's Citizens' Bond Oversight Committee was not continuously functioning from May 2021 through November 2025. The Board recognizes that maintaining a functioning CBOC is an important statutory responsibility and an essential component of transparency and accountability to taxpayers. The Board, however, disagrees with the characterization that the failure was necessarily the result of negligence.

The district had trouble recruiting and retaining sufficient volunteer members to maintain the composition and quorum necessary for the CBOC to function. The Grand Jury report itself recognizes that the district previously attributed the lapse to low interest and participation, and, in part, conditions associated with the COVID-19 pandemic.

District and Board records document multiple efforts and actions by the Board and the district to maintain or reconstitute the CBOC during the relevant period. Those efforts and actions include the following:

- The CBOC met on January 25 and March 15, 2021, exceeding the statutory minimum meeting requirement for that calendar year.
- The Board approved appointments to the CBOC at public meetings on April 13, 2023 (Item 6.01), September 14, 2023 (Item 6.09), December 14, 2023 (Item 5.02), and January 18, 2024 (Item 8.02).
- At the December 14, 2023 Board meeting, the Superintendent publicly urged community members to apply for the CBOC and explained that reports were delayed because the Committee had been unable to achieve a quorum.
- CBOC meetings were noticed and scheduled for August 16, 2021; July 26, September 13, and October 18, 2022; and August 15, 2023, but were cancelled for lack of quorum.
- On November 20, 2025 (Item 7.1), the Board appointed seven candidates representing the interests required by the Education Code. The reconstituted CBOC held its first meeting on December 2, 2025, with a quorum present.

The Board nevertheless acknowledges that whatever efforts were undertaken were ultimately insufficient to maintain a continuously functioning CBOC.

The Board therefore accepts responsibility for establishing systems that will substantially reduce the likelihood of recurrence.

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# FINDING 4b

The district spent $52.8 million in bond funds during the 2021–22 through the 2024–25 school years without required citizen oversight.

## BOARD RESPONSE: PARTIALLY DISAGREE

The Board agrees with the factual finding that approximately $52.8 million in bond expenditures occurred during fiscal years 2021–22 through 2024–25 while the CBOC was not functioning.

The Civil Grand Jury identifies total expenditures of $52,857,094 during the relevant period.

The Board clarifies, however, that its agreement with this portion of this finding should not be interpreted as an admission that the district intentionally sought to circumvent citizen oversight.

The district continued implementing voter-authorized facilities projects during a period in which it had not successfully maintained the CBOC. The absence of functioning citizen oversight nevertheless represented a serious accountability deficiency.

Although the CBOC was not functioning during this period, the District obtained annual independent financial and performance audits of the applicable bond measures. The Board received those audits in public meetings on January 19, 2023 (Measure J, FY 2021-22), January 18, 2024 (Measures J, I and S, FY 2022-23), January 30, 2025 (Measures J, I and S, FY 2023-24), and February 26, 2026 (Measures I and S, FY 2024-25).

Those independent audits reported that the bond financial statements were fairly presented in all material respects under the applicable standards and identified no questioned costs or exceptions in the performance audit results. These audits did not substitute for the required CBOC oversight, but they provided independent external review of bond expenditures during the period.

The Board will remedy that deficiency prospectively and retrospectively by strengthening the current CBOC and directing it to review bond expenditures from fiscal years 2021–22 through 2024 - 25 and issue the supplemental report described in Recommendation 4c.

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# FINDING 5a

The district has not developed a long-term integrated capital and financial plan extending five years or longer.

## BOARD RESPONSE: AGREE

The Board agrees.

Long-term financial and capital planning is essential given declining enrollment, structural budget pressures, facility needs, and the stewardship obligations associated with public resources.

The Board will direct the Superintendent and Business Services administration to develop an integrated financial-planning framework that includes a three-year budget projection.

The district will establish a 5-year facilities and capital plan which will be linked to enrollment projections, educational program needs, facility conditions, project priorities, anticipated funding sources, debt obligations, and fiscal capacity.

# FINDING 5b

The district faces a serious risk of financial insolvency unless it develops and implements a realistic plan to eliminate its annual budget deficits.

## BOARD RESPONSE: PARTIALLY DISAGREE

The Board agrees that continuing structural deficits present a serious threat to the district's long-term financial stability. The Board also notes that declining enrollment and the elimination of one-time COVID monies has presented a significant barrier in eliminating the structural deficit not just for ARUSD but for many public school districts in the state.

The Board disagrees that it has not developed and implemented a realistic plan and measures to address annual budget deficits. In 2024 the Board took action to close 6 schools due to declining enrollment. The Board subsequently took action to declare those vacant school sites as exempt surplus property and the District, at the direction of the Board, is now marketing those properties for lease to generate cash flow. As a result of declining enrollment and funding shortfalls, the Board has implemented painful reductions in force and in contract services. The measures were designed to address the budget deficits and improve the District's financial position.

The Board will require financial planning that moves beyond the minimum statutory multiyear projection and incorporates longer-range assumptions involving enrollment, staffing, compensation, benefits, facilities, special education, revenue, reserves, liabilities, and other significant financial drivers.

The Superintendent and Business Services administration will identify options for eliminating structural deficits while protecting instructional priorities and maintaining required reserves and fiscal solvency.

# III. RESPONSE TO RECOMMENDATIONS

## RECOMMENDATION 1a

The Board should develop a detailed implementation plan for remaining recommendations accepted but not implemented from the FCMAT, California State Auditor, and Harvey Rose audits and require quarterly written status reports from the Superintendent. The Grand Jury establishes a December 31, 2026, implementation date.

### RESPONSE:

## THE RECOMMENDATION HAS NOT YET BEEN FULLY IMPLEMENTED BUT WILL BE IMPLEMENTED.

Target completion: December 31, 2026

The Board accepts this recommendation.

The Superintendent will implement SOP No. 1 — Audit Recommendation Tracking and Accountability.

A master corrective-action dashboard will include:

- Source audit or report;
- Recommendation number;
- Original recommendation;
- Board/District response;
- Responsible administrator;
- Required corrective action;
- Required documentation;
- implementation deadline;
- Status;
- Barriers or dependencies;
- Verification of completion; and
- Date reported to the Board.

The Superintendent will provide a written report to the Board at least quarterly until all accepted recommendations have been implemented or otherwise formally resolved.

Corrective actions will not be designated “completed” solely based on an administrative representation. Appropriate supporting evidence will be maintained.

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# RECOMMENDATION 1b

The Board should retain an independent auditor with public-sector expertise to conduct a follow-up review of implementation of the Harvey Rose recommendations and present the results to the Board by January 31, 2027.

### RESPONSE:

## THE RECOMMENDATION HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IMPLEMENTED.

Target completion: January 31, 2027

The Board accepts this recommendation.

The district will develop an appropriate scope of work and engage an independent auditor or qualified independent public-sector professional to evaluate the implementation status of Harvey Rose recommendations.

The independent review will:

- Determine whether corrective actions represented as completed have actually been implemented;
- Evaluate whether new procedures are operating as designed;
- Identify recommendations that remain incomplete;
- Identify documentation or control deficiencies; and
- Present findings publicly to the Board.

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# RECOMMENDATION 2a

The Board should review current website content, refresh outdated information, and ensure all required information is publicly available by December 31, 2026.

### RESPONSE:

## THE RECOMMENDATION HAS NOT YET BEEN FULLY IMPLEMENTED BUT WILL BE IMPLEMENTED.

Target completion: December 31, 2026

The Board accepts this recommendation.

The Superintendent will establish SOP No. 2 — Public Information and Website Compliance.

Every district department will be assigned ownership of designated website content.

The district will:

- Inventory current website content;
- Identify obsolete or missing documents;
- Restore required financial and operational information;
- Establish document-retention and archiving procedures;
- Assign review cycles;
- Create a compliance checklist for legally required postings; and
- Require department administrators to periodically certify that their assigned content has been reviewed.

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# RECOMMENDATION 2b

Board materials should be made publicly available without delay, except where confidentiality is permitted, and Board meeting videos should be published within three business days. The Grand Jury calls for implementation by September 30, 2026.

### RESPONSE:

## THE RECOMMENDATION HAS BEEN FULLY IMPLEMENTED AS TO THOSE BOARD MEETINGS THAT ARE RECORDED ON VIDEO.

Target completion: September 30, 2026

The Board accepts this recommendation.  As noted earlier, Board agendas and materials are and have been timely posted in accordance with the Brown Act.  Also, Board meetings are not required to be video recorded.  Video recording is not always necessary and requires staff time and expense.  The Board retains the right of discretion as to determining which Board meetings will be recorded on video.  The recordings for those Board meetings that are video recorded will continue to be publicly accessible on the District website.

Under SOP No. 3 **—** Board Meeting Transparency and Records Publication, the District will establish written procedures for:

- Publication of Board agendas;
- Publication of Board materials when distributed to the Board, subject to lawful confidentiality restrictions;
- Posting adopted minutes;

- Publication of meeting videos within three business days (as to those meetings that are video recorded);
- Periodic testing of video and document links;
- Archiving public Board records; and
- Escalation to the Superintendent when publication deadlines are not met.

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# RECOMMENDATION 3a

The Board should hire an experienced superintendent to align the district around a shared strategic vision, strengthen administrative performance, and ensure appropriate staff expertise by September 30, 2026.

### RESPONSE:

## THE RECOMMENDATION HAS BEEN IMPLEMENTED.

The Board appointed Dr. Marnie Hazelton as Superintendent of Schools, effective August 1, 2026. Dr. Hazelton is a career educator and administrator with over 30 years of experience in education and school district administration.

The Board will work with the Superintendent to establish organizational priorities, strengthen administrative accountability, stabilize leadership, improve academic outcomes, restore public confidence, and establish the systems necessary to address the findings contained in this and prior reports.

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# RECOMMENDATION 3b

The Board should strengthen governance practices by establishing clear roles, expectations, and communication protocols with the Superintendent by December 31, 2026.

### RESPONSE:

## THE RECOMMENDATION HAS NOT YET BEEN FULLY IMPLEMENTED BUT WILL BE IMPLEMENTED.

Target completion: December 31, 2026

The Board accepts this recommendation.

The Board and Superintendent will establish SOP No. 4 — Board/Superintendent Governance Protocols.

The protocols will address:

- Board and Superintendent roles;
- Communication between individual Trustees and the Superintendent;
- Requests for information;
- Board agenda development;
- Direction to District staff;
- Confidential communications;
- Board/Superintendent goal setting;
- Superintendent evaluation;
- Governance-team professional development;
- Conflict resolution; and
- Regular assessment of governance effectiveness.

These protocols are intended to support continuity without limiting the Board's lawful oversight responsibilities or the Superintendent's administrative responsibilities.

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# RECOMMENDATION 4a

The Board should establish a regular CBOC reporting schedule within Board meeting agendas to ensure timely updates on CBOC activities and oversight by September 30, 2026.

### RESPONSE:

## THE RECOMMENDATION HAS NOT YET BEEN FULLY IMPLEMENTED BUT WILL BE IMPLEMENTED.

Target completion: September 30, 2026

The Board accepts this recommendation.

The Board will implement SOP No. 5 — CBOC Reporting and Compliance.

Regular reports will include:

- Current membership;
- Member terms;
- Vacancies;
- Recruitment efforts;
- Meeting dates;
- Quorum status;
- Bond expenditures reviewed;
- Audit status;
- Annual report status;
- Requests for District records;
- Training or technical-assistance needs; and

- Outstanding CBOC concerns requiring Board attention.

Failure to maintain sufficient membership or quorum will automatically trigger an administrative escalation and recruitment process.

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# RECOMMENDATION 4b

The Board should incorporate continuing CBOC recruitment into standard operations and actively seek candidates with construction-management and finance expertise by December 31, 2026.

### RESPONSE:

## THE RECOMMENDATION HAS NOT YET BEEN FULLY IMPLEMENTED BUT WILL BE IMPLEMENTED.

Target completion: December 31, 2026

The Board accepts this recommendation.

The Superintendent will establish SOP No. 6 - CBOC Membership, Recruitment, and Continuity.

Recruitment will no longer depend solely upon the occurrence of a vacancy.

The district will establish ongoing outreach through appropriate channels, including:

- District website;
- School communities;
- Parent organizations;
- Local business organizations;
- Construction and facilities professionals;
- Financial and accounting professionals;
- Community organizations;
- Taxpayer organizations;
- Retirees;
- Institutions of higher education; and
- Other appropriate community networks.

The district will maintain a calendar of CBOC terms and initiate recruitment sufficiently in advance of anticipated vacancies.

Any vacancy threatening quorum or statutory composition requirements will be immediately reported to the Superintendent and Board.

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# RECOMMENDATION 4c

The current CBOC should review bond expenditures from 2021–22 through 2024–25 and issue a supplemental report, with access to appropriate resources such as an independent auditor, by June 30, 2027.

**RESPONSE:**

## THE RECOMMENDATION HAS NOT YET BEEN IMPLEMENTED BUT WILL BE IMPLEMENTED.

Target completion: June 30, 2027

The Board accepts this recommendation.

The Board will formally request that the current CBOC conduct a retrospective review of bond expenditures for fiscal years 2021–22 through 2024–25.

To enable the CBOC to efficiently and effectively complete this task the District will make available to the CBOC, as appropriate:

- Bond expenditure records;
- Project lists;
- Contracts;
- Change orders;
- Board approvals;
- Financial statements;
- Performance and financial audits;
- Project documentation;
- Facilities records; and
- Other information reasonably necessary for the CBOC's review.

The Board will provide access to appropriate independent professional expertise, including an independent auditor if necessary.

The resulting supplemental CBOC report or reports will be presented to the Board and made publicly available.

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# RECOMMENDATION 5a

The Board should extend its budget-planning horizon to five years and present the five-year plan annually by December 31, 2026.

**RESPONSE:**

## THE RECOMMENDATION HAS NOT YET BEEN FULLY IMPLEMENTED BUT WILL BE IMPLEMENTED.

Target completion: December 31, 2026

The Board accepts this recommendation.

The Superintendent and Business Services administration will implement SOP No. 7 - Three-Year Fiscal Forecasting and Budget Monitoring.

The five-year model will incorporate reasonable assumptions concerning:

- Enrollment and average daily attendance;
- State and federal revenue;
- Compensation;
- Health and welfare costs;
- Staffing levels;
- Special education expenditures;
- Transportation;
- Facilities costs;
- Contractual obligations;
- Reserve levels;
- One-time funding;
- Structural deficits; and
- Other significant fiscal risks.

The five-year forecast will be presented to the Board annually and updated when material assumptions change.

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# RECOMMENDATION 5b

The Board should develop and regularly refresh a 5-to-20-year long-term financial plan serving as a strategic roadmap and early-warning system and present it for Board review and approval by December 31, 2026.

**RESPONSE:**

## THE RECOMMENDATION HAS NOT YET BEEN FULLY IMPLEMENTED BUT WILL BE IMPLEMENTED.

Target completion: December 31, 2026

The Board accepts this recommendation.

The district will establish SOP No. 8 — Long-Term Financial Sustainability Planning.

The long-range plan will complement, not replace, the district's annual budget and statutory multiyear projections.

It will include long-term assumptions and scenarios relating to:

- Enrollment;
- Revenue;
- Staffing;
- Compensation;
- Pension and benefit costs;
- Facilities;
- Debt;
- Deferred maintenance;
- Reserves;
- Major liabilities;
- Use of closed or underutilized properties;
- Potential capital obligations; and
- Long-term financial sustainability.

The plan will identify financial indicators or thresholds requiring corrective action.

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# RECOMMENDATION 5c

The Board should develop and maintain a long-term capital plan projecting future facilities needs and expenditures and aligning those needs with anticipated bond issuances by December 31, 2026.

### RESPONSE:

## THE RECOMMENDATION HAS NOT YET BEEN FULLY IMPLEMENTED BUT WILL BE IMPLEMENTED.

Target completion: December 31, 2026

The Board accepts this recommendation.

The district will establish SOP No. 9 - Long-Term Capital and Facilities Planning.

The plan will include, as appropriate:

- Facility-condition information;
- Enrollment projections;
- Current and projected school utilization;

- Health and safety needs;
- Deferred maintenance;
- roofs, HVAC, electrical, plumbing, technology, and other infrastructure;
- modernization needs;
- accessibility requirements;
- project prioritization criteria;
- estimated project costs;
- anticipated schedules;
- available funding;
- bond proceeds;
- debt and borrowing considerations; and
- alignment with educational and strategic priorities.

Proposed capital projects will be evaluated against the adopted capital plan so that project-selection decisions are documented and transparent.

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# IV. DISTRICTWIDE STANDARD OPERATING PROCEDURES AND ACCOUNTABILITY FRAMEWORK

To ensure that these responses lead to sustained institutional change, the Board directs the Superintendent to establish the following comprehensive corrective-action framework.

| SOP | Purpose | Principal Accountability | Reporting |
|---|---|---|---|
| **SOP 1 — Audit Recommendation Tracking** | Track all recommendations through verified completion | Superintendent/Cabinet | Quarterly to Board |
| **SOP 2 — Website Compliance** | Keep required public information complete and current | Communications/Department Heads | Periodic certification |
| **SOP 3 — Board Records Transparency** | Ensure timely publication of Board materials, minutes, and videos | Superintendent's Office | Exception reporting |
| **SOP 4 — Governance Protocols** | Establish Board/Superintendent roles and expectations | Board President/Superintendent | Annual review |
| **SOP 5 — CBOC Reporting** | Sustain regular independent bond oversight | Senior Executive of Bonds & M.O.T | Regular Board reports |
| **SOP 6 — CBOC Recruitment** | Prevent vacancies and quorum deficiencies | Senior Executive of Bonds & M.O.T | Vacancy status to Board |
| **SOP 7 — Five-Year Fiscal Planning** | Identify structural deficits and emerging fiscal risks | CBO/Superintendent | Annual Board adoption/review |
| **SOP 8 — Long-Term Financial Sustainability** | Create 5–20-year strategic fiscal outlook | CBO/Superintendent | Regular Board review |
| **SOP 9 — Capital/Facilities Planning** | Prioritize facilities investment transparently | MOT/Business Services | Annual update |
| **SOP 10 — Procurement and Contract Controls** | Strengthen purchasing, documentation, approvals, and monitoring | Business Services | Audit/compliance review |
| **SOP 11 — District Compliance Calendar** | Centralize statutory and operational deadlines | Superintendent's Office | Monthly internal review |

| SOP | Purpose | Principal Accountability | Reporting |
|---|---|---|---|
| **SOP 12 — Independent Corrective-Action Verification** | Confirm reforms operate as represented | Independent auditor/Board | Periodic public report |

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# V. AUDIT IMPLEMENTATION AND ACCOUNTABILITY COMMITTEE

The Superintendent will establish a District Audit Implementation Committee or equivalent administrative structure to coordinate implementation of corrective actions arising from external audits and reviews.

Suggested membership:

- Superintendent — Chair;
- Assistant Superintendent(s);
- Chief Business Official/Assistant Superintendent of Business Services;
- Human Resources administrator;
- Maintenance, Operations and Transportation/Facilities administrator;
- Superintendent's Office representative;
- Other administrators based upon the recommendation being monitored; and
- Board President or Board designee solely in an appropriate governance/liaison capacity, subject to counsel's review regarding Brown Act and governance considerations.

The Committee will maintain the master implementation dashboard and review progress at least monthly.

The purpose is to create a clear chain of responsibility from finding → corrective action → responsible administrator → deadline → evidence → verification → public reporting.

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# VI. MASTER COMPLIANCE CALENDAR

No later than December 31, 2026, the Superintendent will establish an annual District compliance calendar covering significant deadlines relating to:

- Budget adoption;
- Interim financial reports;
- Audits;
- Bond audits;
- CBOC meetings;
- CBOC annual reports;
- CBOC member terms;
- Public disclosures;
- Required Board trainings
- Required Board disclosures (e.g., Form 700 reports)
- Required biennial updates to Board Bylaw 9270 (Conflicts of Interest)
- Board minutes;
- Required website postings;
- Contracts and procurement;
- facilities reporting;
- State and federal compliance submissions;
- Employee reporting;
- Policy review;
- Audit corrective actions; and
- Other significant statutory and Board-required deadlines.

Each obligation will have a designated primary owner and backup owner.

A missed deadline involving a legal, financial, audit, or public-accountability requirement will be escalated to the Superintendent.

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# VII. BOARD MONITORING AND PUBLIC REPORTING

The Board directs the Superintendent to present a Civil Grand Jury and Audit Corrective Action Report at least quarterly until all recommendations addressed in this response have been completed.

The report should use an accessible status system such as:

Completed — Implemented and documentation verified.
On Track — Implementation progressing within approved deadline.
At Risk — Deadline or implementation is in jeopardy.
Delayed — Deadline has been missed.
Requires Board Action — Board decision or approval necessary.

Supporting evidence will be retained so that future Boards, administrators, auditors, and members of the public can determine what action was taken and when.

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# VIII. BOARD COMMITMENT TO PUBLIC ACCOUNTABILITY

The Board recognizes that restoring and maintaining public confidence requires more than responding to individual findings.

It requires institutional change.

Where the Board disagrees with a characterization contained in the Civil Grand Jury report, that disagreement should not be interpreted as resistance to reform.

The Board accepts responsibility for correcting identified deficiencies, strengthening oversight, improving transparency, stabilizing governance, ensuring fiscal sustainability, and safeguarding public resources.

The Board further recognizes that policies and procedures are meaningful only when they are implemented, monitored, documented, and enforced.

Accordingly, the Board and Superintendent commit that progress will be demonstrated through:

clear responsibility, measurable actions, defined timelines, public reporting, documentary evidence, independent verification, and sustained results.

The district's goal is not simply to satisfy the requirements of this 90-day response.

The goal is to establish a durable governance and accountability structure that serves the students, employees, families, taxpayers, and broader Alum Rock community for years to come.

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