



Industrial Technology Center

PROPOSITION M

Independent Citizens' Oversight Committee

2008-2009 ANNUAL REPORT

PALOMAR COLLEGE MISSION*

Our mission is to provide an engaging teaching and learning environment for students of diverse origins, experiences, needs, abilities, and goals. As a comprehensive college, we support and encourage students who are pursuing transfer-readiness, general education, basic skills, career and technical training, aesthetic and cultural enrichment, and lifelong education. We are committed to promoting the learning outcomes necessary for our students to contribute as individuals and global citizens living responsibly, effectively, and creatively in an interdependent and changing world.

VISION

Learning for Success

ABOUT THE DISTRICT

Palomar College has been providing quality education to its district's residents for over 60 years. Our San Marcos campus is supplemented by an educational center in Escondido, as well as five additional sites located throughout inland North San Diego County. Palomar College offers over 300 associate and certificate programs and serves over 32,000 students.



2008-2009 COMMITTEE MEMBERS

Richard Borevitz

Palomar College President's Associates

Maurice Haight

Senior Citizen Org./Escondido Senior Citizen's Counsel

Claudia Duran

Palomar College Associated Student Government Representative

Ginny MacDonald, *Chair*

Member of the Community at Large

Michael McDowell

San Diego County Taxpayers' Association

John Nabors Jr., *Vice-Chair*

Member of the Community at Large

George Weiner

Local Business Organization/San Marcos EDC

GOVERNING BOARD

Nancy C. Chadwick, M.S.W., M.P.A., *President*

Michele T. Nelson, Ph.D., *Vice President*

Mark R. Evilsizer, M.A., *Secretary*

Darrell L. McMullen, M.B.A., *Trustee*

Rose Marie Dishman, Ph.D., *Trustee*

Robert Frederick, *Student Trustee*

SUPERINTENDENT/PRESIDENT

Robert P. Deegan

A LETTER FROM THE COMMITTEE CHAIR

Dear Community Member:

It is a pleasure to present to you the 2008-2009 Annual Report on Proposition M. As you will recall, voters in the Palomar Community College District approved a \$694 million facilities bond measure (Proposition M) under the rules established by Proposition 39.

Since its passage the Palomar Community College District has, to name a few, finalized design work for the Multimedia Lab & Planetarium, the Industrial Technology Center, the Escondido Center North Wing, begun construction on the Health Sciences Building -- which will be completed in early 2010 -- and selected civil engineers for grading for the home of the new North Education Center at the northeast corner of Highway 76 and Interstate 15. All of these projects support the District's 2022 Master Plan. The citizens of the Palomar College District can take pride in the fact that these projects came in under budget and were completed on time. At a time of challenging economics and a State budget that continues to spiral out of control, the voters can be satisfied with the District's prudent oversight in managing the funds approved by the voters. These funds have been reinvested into the communities, providing jobs and supporting the local economies.

The ICOC committee is responsible for reviewing all expenditures to ensure that bond proceeds are expended only for the purposes set forth in Proposition M. The committee reports, to the best of its knowledge, that Palomar Community College District is in full compliance with the requirements of Article XIII A of the California State Constitution. With this Report, the ICOC members assure the community that Proposition M bond funds have been spent only for projects identified in Proposition M and that no bond funds were used unlawfully for teacher or administrative salaries or other operating expenses.

The committee meets four times a year to review expenditures and to receive in-depth reports on all projects. The Administration provides complete transparency on all projects and assures the committee is fully informed about all matters and issues related to Proposition M.

On behalf of the ICOC committee, it has been a pleasure to serve the community and the Palomar Community College District. The voters can be proud of the investment that they have made in the District, with the knowledge that their dollars are making a difference in the lives of students now and for generations to come. We thank the voters for their support and confidence in Palomar Community College.

Sincerely,



Thank You.

Ginny MacDonald

Chair, Prop M Independent Citizens' Oversight Committee (ICOC)

ABOUT PROPOSITION M

On November 7, 2006, voters in the District's service area approved Proposition M, a \$694 million facilities bond measure, which enables the District to:

- Upgrade nursing and emergency medical career training labs
- Modernize outdated science, computer and job training labs/equipment
- Upgrade electrical and technology infrastructure
- Repair/replace deteriorated roofs, plumbing, lighting, heating and ventilation systems
- Improve energy efficiency
- Modernize/replace outdated classrooms and student support facilities
- Complete safety upgrades to College buildings and grounds

The Independent Citizens' Oversight Committee monitors the expenditure of funds from the Proposition M General Obligation Bond to ensure that bond revenues are expended only for the purposes described and that no bond funds are used for any faculty or administrative salaries or other operating expenses. Proposition M was authorized pursuant to paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, and subdivision (b) of Section 18 of Article XVI of the California Constitution in accordance with the requirements of the Strict Accountability in Local School Construction Bond Act of 2000 (Prop 39).

COMMITTEE ACTIVITY SUMMARY

The Independent Citizens' Oversight Committee was appointed by the Palomar College Governing Board on May 8, 2007, and met four times in fiscal year 2008-2009. Proceedings of these meetings have included:

- Organization meeting to include appointment of Chair; review bylaws and roles and responsibilities of ICOC
- Update ICOC Website -- <http://www.palomar.edu/propm/icoc/>
- Review of financial reports
- Review of construction projects

COMMITTEE MEETINGS

The Independent Citizens' Oversight Committee meets on a quarterly basis. All meetings are open to the public. Agendas and meeting minutes from all committee meetings are available on the ICOC website at www.palomar.edu/propm/icoc. Meetings are held on the San Marcos campus unless noted differently on the ICOC website.

Meetings held during the 2008-2009 and scheduled for 2009-2010 were as follows:

- | | | |
|----------------------|---------------------|-----------------|
| • September 12, 2008 | • June 5, 2009 | • March 6, 2010 |
| • December 5, 2008 | • September 4, 2009 | • May 14, 2010 |
| • March 6, 2009 | • December 4, 2009 | |

PROPOSITION M PROGRAM ACTIVITIES

- Selected the civil engineer for grading and road design plans for North Education Center.
- Certified Environmental Impact Report for North Education Center on July 8, 2008.
- Finished the design phase of the Multimedia Lab & Planetarium; plans were submitted to the Division of the State Architect (DSA) in May 2009.
- Began the CEQA/EIR process for the San Marcos campus in July 2008 and final draft was completed in 2009.
- Completed and submitted construction documents to DSA for the Escondido Center North Wing Retrofit.
- Completed and submitted plans to DSA for the Industrial Technology Center.
- Completed construction documents and began design for the T-Building remodel.
- Selected landscape architect for the Arboretum Improvement Project; Ad Hoc Committee approved the conceptual plan in May 2009.
- Coordinated necessary electrical infrastructure improvement in preparation for the electrical infrastructure upgrade (implemented in December 2009, working closely with SDG&E).
- Completed web-based telecommunications infrastructure conversion in June 2009.
- Identified multiple technology improvement projects; developing plans for future improvement, including installation of the A Building generator, expansion of the wireless network, and an upgrade to the District's Computer Technology System.
- Began grading for the Multidisciplinary Building in December 2008 (State-funded project with augmentation by Prop M).
- Started construction for the Health Sciences Building in April 2009.
Continued to develop design documents for the Theatre Renovation/Expansion Project.

LEVERAGING OF THIS INVESTMENT

- Received a San Diego Gas & Electric "Savings by Design" award for energy efficiency.
- Implemented infrastructure improvements; applied for and awarded \$318,968 funding from the Chancellor's Office Scheduled Maintenance Program.
- Leveraged Prop M dollars with State Capital Outlay funds in the Library/Learning Resource Center project proposals.
- Donated 274 "gently used" computers to Escondido Union High School District and an additional 52 computers to Valley Center High School.
- Received \$350,000 from the City of San Marcos Redevelopment Account for the installation of an emergency generator for the Campus Police Building; this project would have been funded by Prop M if the City had not provided the funding.

SERIES A BOND ISSUANCE

In May 2007, the Palomar Community College District issued Series A bonds in the amount of \$160 million.

REVIEW OF EXPENDITURES

The firm of Vicenti Lloyd & Stutzman LLP, Certified Public Accountants conducted the Financial and Performance Audit for proceeds and use of general obligation bonds for the fiscal year ended June 30, 2009, as required by Proposition 39. The results of the procedure performed indicated that expenditures were made for authorized bond projects.

The finding of no discrepancies validates the success of internal controls established by the Palomar College Finance and Administrative Services Division and implemented by staff.

To view the complete independent accountant's report, please visit www.palomar.edu/fiscal_services/LeftNav/Reports.html.

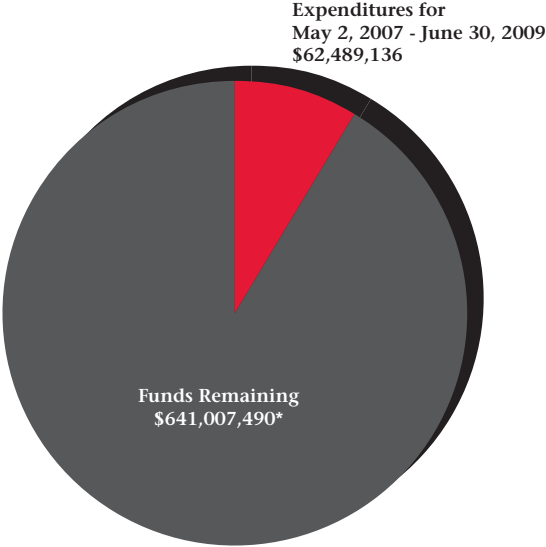


Health Science Building “Topping Off” Ceremony

Pictured from left to right – Vice President Instruction, Berta Cuaron; Vice President Finance and Administrative Services, Dr. Bonnie Ann Dowd; Governing Board Trustee, Darrell McMullen; Governing Board President, Nancy Chadwick; Interim Vice President Student Services, Dr. Mark Vernoy; Governing Board Trustee, Dr. Rose Marie Dishman; Governing Board Vice President, Dr. Michele Nelson; Dean, Mathematics and the Natural and Health Sciences, Dr. Candice Francis; and Palomar College Superintendent/President, Robert P. Deegan.

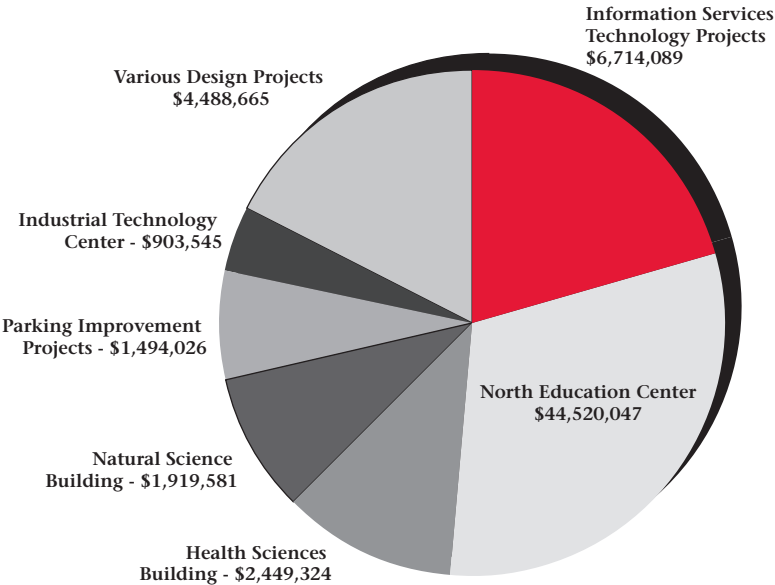
PROP M PROGRAM
(TOTAL BOND AUTHORIZATION - \$694,000.000)

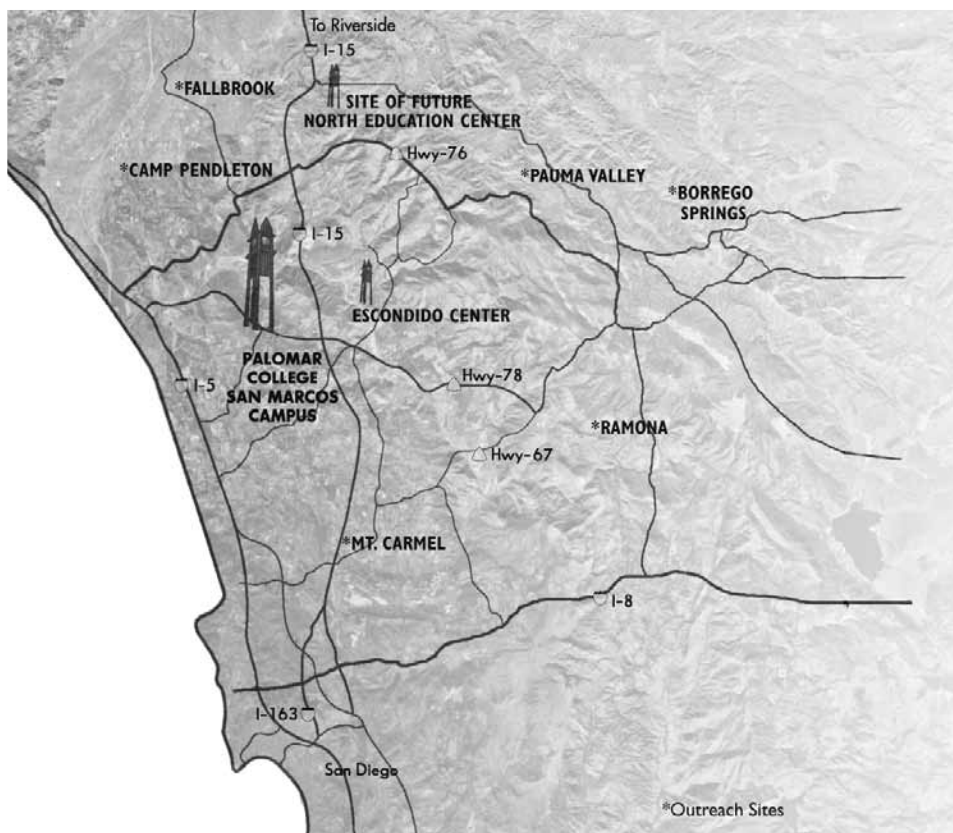
Bond Expenditures



**Including interest earned as of June 30, 2009*

**Breakdown of Bond Expenditures
through June 30, 2009
\$62,489,136**





Palomar College
1140 W. Mission Road
San Marcos, CA 92069
(760) 744-1150
www.palomar.edu

Palomar Community College District is committed to reducing environmental impacts through increased use of recycled materials. This report was printed on recycled paper product.