

CITIZENS' BOND OVERSIGHT COMMITTEE

Proposition 39, approved by California voters in the November 7, 2000 general election, provides that the governing board of a school district may pursue the authorization and issuance of general obligation bonds by 55 percent vote of the electorate. As a result of the passage of Proposition 39, language was added to the Education Code requiring school districts passing a bond designated as a Proposition 39 bond to establish a Citizens' Oversight Committee (Committee) to monitor and audit bond proceeds to ensure they are spent only on school and classroom improvements and not for any other purpose. The Committee shall be established within sixty (60) days of the date that the Board enters the election results in its minutes.

A. Committee's Purpose (Education Code Section 15278)

The purpose of the Committee is to inform the public concerning the expenditures and use of bond revenues. The Committee's legal charge is to actively review and report on the expenditure of taxpayers' money for school construction. The Committee shall convene to provide oversight of the following:

1. Ensuring that bond revenues are expended only for the purpose described in Article 13A, Section 1, Subdivision (b)(3) of the California Constitution including the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities; and
2. Ensuring that as prohibited by Article 13A, Section 1, Subdivision (b)(3)(A) of the California Constitution, no funds are used for any faculty and administrative salaries or other school operating expenses.

B. Committee's Duties (Education Code Section 15278)

The Committee may engage in the following activities in furtherance of its purpose:

1. Receiving and reviewing copies of the annual performance audits required by Article 13A, Section 1, Subdivision (b)(3)(C) of the California Constitution.
2. Receiving and reviewing the annual financial audits required by Article 13A, Section 1, Subdivision (b)(3)(D) of the California Constitution.
3. Inspecting school facilities and grounds to ensure that bond revenues are expended in compliance with the requirements of Article 13A, Section 1, Subdivision (b)(3) of the California Constitution.
4. Receiving and reviewing copies of bond related scheduled maintenance proposals or plans developed by the Redwoods Community College

District, including any reports required by Education Code Section 17584.1.

5. Reviewing efforts by the Redwoods Community College District to maximize bond revenues by implementing cost-saving measures including, but not limited, to the following:
 - a. mechanisms designed to reduce the costs of professional fees;
 - b. mechanisms designed to reduce the cost of site preparation;
 - c. recommendations regarding the joint use of core facilities;
 - d. mechanisms designed to reduce costs by incorporating efficiencies in school site design;
 - e. recommendations regarding the use of cost-effective and efficient reusable facility plans.

C. Committee Operations (Education Code Section 15280)

The Committee's legal charge is to monitor bond expenditures and to inform the public about the uses of bond proceeds. The Committee shall **not** have the authority to:

1. Participate in the bond sale and issuance process or make decisions concerning the timing, terms, or structure of a bond issuance, except that the Committee may review the District's plan for any bond sale and may review bond issuance documents upon the conclusion of a bond sale if desired;
2. Determine how bond funds shall be spent;
3. Select contractors or consultants for bond projects or participate in the negotiation of bid process for such contractors and consultants, except that the Committee may review the selection process and documents related thereto upon completion of any such selection;
4. Enter or inspect a job site or construction project without prior permission of the Redwoods Community College District President/Superintendent. Visits to job sites require that the Committee member(s) be accompanied by a representative of the Redwoods Community College District and require that all safety measures in effect at the job site be followed;
5. Contact District contractors or consultants, including without limitation, accountants, auditors, architects, financial advisors, and legal counsel, without the prior written permission of the Redwoods Community College District President/Superintendent.
6. Require the District to prepare reports or conduct audits more frequently than those required by law.

The Committee shall not be entitled to legal representation by Redwoods Community College District legal counsel or at District expense, unless expressly permitted by the Board.

The Committee shall generally meet quarterly at the Redwoods Community College District's Board Room at the Eureka campus unless a meeting is required at a branch campus. The Committee members shall be available to attend board meetings when performance and financial audits are presented. The President/Superintendent or

designee shall attend Committee meetings. Members of the Board shall attend as necessary or desirable. The Committee's meetings are subject to the Ralph M. Brown Act, Government Code, Section 54950 et seq. None of the Committee's activities shall constitute a reason for a closed session. Meetings shall be open to the public and noticed in the same manner as proceedings of the Board. The Committee shall annually select a chairperson and vice chair and Committee decisions will be made by majority vote. Minutes of Committee proceedings and all documents received and reports issued shall be a matter of public record and the Redwoods Community College District shall make all documents and minutes available on the District's Internet website.

The Committee shall prepare regular reports on Committee activities. A report shall be issued at least once each year within the District's annual report. Upon completion of all bond projects, the Committee shall prepare a final written report summarizing its activities and conclusions.

The Board shall, without expending bond funds:

1. provide the Committee with any necessary technical assistance;
2. provide administrative assistance in furtherance of the Committee's purpose; and
3. provide the Committee with sufficient resources to publicize the Committee's conclusions.

D. Committee Selection and Composition (Education Code Section 15282)

The Committee shall be comprised of individuals who either live or work within the boundaries of the Redwoods Community College District. The Board or designee shall solicit applications for membership on the Committee, and in the event the number of applicants exceeds the number of spaces available, shall conduct interviews of interested citizens. The Board shall have the authority at its sole discretion to select and appoint the Committee. The Committee shall consist of at least seven (7) members, but the board shall determine the final size of the Committee. Members shall serve without compensation. Travel expenses may be reimbursed in accordance with Redwoods Community College District travel policy procedures. Bond funds shall not be used for this or any other committee support.

Committee membership shall include the following community residents:

1. One member shall, at the time of appointment, be active in a business organization representing the business community of the Redwoods Community College District;
2. One member shall, at the time of appointment, be active in a senior citizens' organization, which may be a local, regional, statewide, or national organization;
3. One member shall, at the time of appointment, be active in a bona fide taxpayers' organization, which may be a local, regional, statewide, or national organization;

4. One member shall, at the time of appointment, be a student both currently enrolled in the Redwoods Community College District and active in a campus group;
5. One member shall, at the time of appointment, be active in the support and organization of the Redwoods Community College District, such as a member of an advisory council or foundation.

A single individual may be appointed as a representative of more than one of the above categories, if applicable.

No past or present employee or official of the Redwoods Community College District shall be appointed to the Committee. Additionally, no vendor, contractor, or consultant of the Redwoods Community College District shall be appointed to the Committee.

After appointment to a two-year term, Committee members who wish to be appointed for a second two-year term shall reapply to the Board for consideration. In order to provide continuity, up to but no more than four (4) of the current Committee members may be appointed for a second two-year term.

E. Replacing a Committee Member (Education Code Section 15282)

A new Committee member will be named by the Board if one or more of the following events occur:

1. The Committee member submits a written resignation;
2. the Committee member misses three (3) Committee meetings; and/or
3. in the judgment of the Committee, a member is unproductive or disruptive.

An individual who replaces such a member shall serve until the completion of the original member's term. Thereafter, the member must apply for an additional term if he or she wishes to remain on the Committee.

A Committee member who no longer serves as a representative of the designated group he or she was appointed to represent (e.g., ceases to be active within a taxpayers' organization, or be active in a business organization) shall be allowed to complete his or her term. However, that Committee member shall not be entitled to serve a subsequent term as a representative of the designated group. The Committee member representing the student may serve up to six (6) months after his or her graduation or ceasing to meet the qualifications of being a student.

Within sixty (60) days of being notified of a Committee vacancy, the Board will appoint a new member to complete the term of the vacancy following the process used to select the original Committee members.

Committee members shall be subject to prohibitions regarding incompatibility of office pursuant to Government Code sections 1125-1129 and financial interest in contracts pursuant to Government Code section 1090-1098.

Reference: Education Code Sections 15728-15288; Government Code: 54950 et seq., 1125-1129, 1090-1098; California Constitution: Article XIII A, Section 1(b); Article XVI, Section 18(b)

Approved: 1/4/05
Revised: 2/6/06