

Revised OCTax School Bond Criteria

OCTax neither supports nor opposes school bond ballot initiatives. Instead we recommend that voters insist that at minimum, every school bond initiative include the following criteria:

- There is a clear **need** to build or modernize facilities, documented by a list of specific problems to be corrected and specific projects to be completed. General spending categories are insufficient. Each individual project in the program shall be classified as to whether it is for new and/or replacement facilities, modernization of existing facilities, increase of capacity, or code compliance.
- Bonds will not pay for computers, vehicles, technology items, or other equipment that will become obsolete while bond debt is outstanding.
- District will maintain a reserve of at least 2% - 3% of its operating funds for maintenance of facilities
- District will set aside a fund (from the district's general fund not bond proceeds) equivalent to 2% - 4% of the value of the bonds issued for future construction and repair.
- District will utilize the services of an independent registered municipal advisor when issuing bonds.
- Bonds will be issued via competitive sale if credit rating is at least in the single A category, and by select underwriter for a negotiated sale via RFP if credit rating is below the single A category.
- Ballot language shall clearly state whether or not a PLA is envisioned or required for any portion of the expected bond expenditures. If a PLA is going to be used the following taxpayer protection provisions must be included:
 - (a) The agreement prohibits discrimination based on race, national origin, religion, sex, sexual orientation, political affiliation, or membership in a labor organization in hiring and dispatching workers for the project.
 - (b) The agreement permits **all** qualified contractors and subcontractors to bid for and be awarded work on the project without regard to whether they are otherwise parties to collective bargaining agreements.

- (c) The agreement contains an agreed-upon protocol concerning drug testing for workers who will be employed on the project.
- (d) The agreement contains guarantees against work stoppages, strikes, lockouts, and similar disruptions of the project.
- (e) The agreement provides that disputes arising from the agreement shall be resolved by a neutral arbitrator.
- (f) The agreement contains a good faith effort to implement local, veteran preference hire, and apprentice programs.
- The District will adopt a “No Pay to Play” policy that includes the following:
 1. If any Person contributed \$500 or more to any campaign for a district candidate, candidate(s) or bond program, AND if a Person bid on a project, that Person’s name and amount will be listed publicly in a way that is accessible through the staff report or docket, for any governing board item to award a Bond Funded Contract to that Person.
 2. If any Person contributed to any foundation organized to advance the education goals of that school or community college, AND if that foundation made any financial contributions to any district bond campaign with the last four years, this information must be disclosed publicly in the same manner as listed above.
 3. For the purposes of this Policy, the following definitions will apply:
 - a- “Person” means any individual, sole proprietor, partnership, corporation, trade association, union, council of unions, or any registered political committee administered by any such Person.
 - b- “Bond Funded Contract” means any contract for construction, maintenance, equipment, labor, engineering, architecture, program or project management, legal or financial services, or any other similar expense that is paid from bond proceeds.
- District will provide OCTax approved training for School Bond Citizens Oversight Committee members and District employees responsible for working with COC members.
- In meeting the requirements of the California Education Code that all documents received and reports issued by the citizens oversight committee be a matter of public record and be made available on an Internet Web site maintained by the governing board of the district, the

district will place a prominently displayed and clearly marked direct link to all bond information and Citizens oversight material on the homepage of the district's website.

- Any COC Member being appointed as the Taxpayers Representative representing themselves as members of the Orange County Taxpayers Association must be approved by the OCTax CEO.

