

**VISALIA UNIFIED SCHOOL DISTRICT
MEASURE A
INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE
BYLAWS**

Section 1. Committee Established.

The Visalia Unified School District (the "District") was successful at the election conducted on November 6, 2018 (the "Election") in obtaining authorization from the District's voters to issue up to \$105 million dollar in aggregate principal amount of general obligation bonds ("Measure A"). The Election was conducted pursuant to Proposition 39, being chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, at Section 15264 *et seq.* of the Education Code of the State ("Prop 39"). Pursuant to Section 15278 of the Education Code, the District is now obligated to establish an Independent Citizens' Bond Oversight Committee in order to satisfy the accountability requirements of Prop 39. The Board of Trustees of the Visalia Unified School District (the "Board") hereby establishes the Measure "A" Independent Citizens' Bond Oversight Committee (the "Committee") which shall have the duties and rights set forth in these Bylaws. The Committee does not have legal capacity independent from the District.

Section 2. Purposes.

The purpose of the Committee is to inform the public concerning the expenditure of Measure "A" bond revenues. (Ed. Code, § 15278.) The Committee shall actively review and report to the public on the proper expenditure of Measure "A" bond revenues for school construction, and advise the public as to whether the District is in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The Committee's oversight shall ensure that Measure "A" bond revenues are:

- (a) Expended only for the purposes described in paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution; and
- (b) Not used for any teacher or administrative salaries or other school operating expenses, except as permitted by law.

The District shall provide necessary administrative support to the Committee as shall be consistent with the Committee's purposes, as set forth in Prop 39.

The proceeds of general obligation bonds issued pursuant to the Election are hereinafter referred to as "bond proceeds." The Committee shall confine itself specifically to bond proceeds generated under Measure A. Regular and deferred maintenance projects and all monies generated under other sources shall fall outside the scope of the Committee's review.

Section 3. Duties.

In furtherance of its purpose, the Committee's duties are as follows:

3.1 Inform the Public. The Committee shall inform the public concerning the District's expenditure of Measure A bond proceeds. In fulfilling this duty, all official communications to either the Board or the public shall come from the Chair acting on behalf of the Committee. The Chair shall only release information that reflects the majority view of the Committee.

3.2 Review Expenditures. The Committee shall review expenditure reports produced by the District to ensure that (a) bond proceeds were expended only for the purposes set forth in Measure A; and (b) no bond

proceeds were used for teacher or administrative salaries or other operating expenses in compliance with Attorney General Opinion 04-110, issued on November 9, 2004.

3.3 Annual Report. The Committee shall issue and present to the Board, in public session, an annual written report of its activities which shall include, but not be limited to, the following:

- (a) ___ A statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution;
- (b) ___ A summary of the Committee's proceedings and activities for the preceding year; and
- (c) ___ Any other requests or summaries as the Committee may deem necessary.

3.4 Duties of the Board/Superintendent. Either the Board or the Superintendent, as the Board shall determine, shall have the following powers reserved to it, and the Committee shall have no jurisdiction over the following types of activities:

- (i) Approval of contracts,
- (ii) Approval of change orders,
- (iii) Expenditures of bond funds,
- (iv) Handling of all legal matters,
- (v) Approval of project plans and schedules,
- (vi) Approval of all deferred maintenance plans, and
- (vii) Approval of the sale of bonds.

3.5 Measure A Projects Only. In recognition of the fact that the Committee's scope is limited to the purposes set forth in Section 2, related to Measure A, the Committee's scope will not extend to:

- (a) Projects financed through the State of California, developer fees, redevelopment tax increment, certificates of participation, lease/revenue bonds, the general fund or the sale of surplus property.
- (b) The establishment of priorities and order of construction for the bond projects, which shall be made by the Board in its sole discretion.
- (c) The selection of architects, engineers, soils engineers, construction managers, project managers, CEQA consultants and such other professional service firms as are required to complete the project based on District criteria established by the Board in its sole discretion.
- (d) The approval of the design for each project including exterior materials, paint color, interior finishes, site plan and construction methods (modular vs. permanent) which shall be determined by the Board in its sole discretion.
- (e) The selection of independent audit firm(s), performance audit consultants and such other consultants as are necessary to support the activities of the Committee.
- (f) The approval of an annual budget for the Committee that is sufficient to carry out the activities set forth in Prop 39 and included herein.
- (g) The appointment or reappointment of qualified applicants to serve on the Committee, subject to legal limitations, and based on criteria adopted in the Board's sole discretion as part of carrying out its function under Prop 39.

Section 4. Permissible Activities.

4.1 Scope of Permissible Activities. In furtherance of its purpose, the Committee may engage in the following activities (“Permissible Activities”):

(a) Receive and review copies of the District’s annual, independent performance audit and annual, independent financial audit required by Prop 39 (Article XIII A of the California Constitution) (together, the “Audits”) within a reasonable time after said Audits are submitted to the District.

(b) Inspect school facilities and grounds for which Measure A bond proceeds have been or will be expended to ensure compliance with Article XIII A, Section 1(b)(3) of the California Constitution, in accordance with any access procedure established by the District’s Superintendent.

(c) Receive and review copies of deferred maintenance plans developed by the District.

(d) Review efforts by the District to maximize bond proceeds by implementing various cost-saving measures including but not limited to:

- (1) Mechanisms designed to reduce the cost of professional fees.
- (2) Mechanisms designed to reduce the cost of site preparation.
- (3) Recommendations regarding the joint use of core facilities.
- (4) Mechanisms designed to reduce costs by incorporating efficiencies in schoolsite design.
- (5) Recommendations regarding the use of the cost-effective and efficient reusable facility plans.

(e) As a Committee, or designees assigned by the Committee, meet with District staff to provide feedback regarding efforts by the District to maximize bond proceeds as set forth in 4.1(d).

(f) Receive from the Board, within three months of the District receiving the Audits, responses to any and all findings, recommendations, and concerns addressed in the Audits, and review said responses.

(g) Verify and report to the public and the Board regarding whether bond expenditures are consistent with the projects listed in the voter approved ballot language. In executing this Permissible Activity, the Committee may, on an ongoing basis and subject to the discretion of the Committee, review and report on: 1) detailed schedules to assist in monitoring progress of construction projects; 2) budgets showing forecasted project costs and actuals; 3) cash flow schedules showing an accounting of available bond proceeds, amounts available and available cash; 4) contracts, change orders and claim details; and 5) details of expenditures including soft costs. In executing this Permissible Activity, the Committee shall review and report on all change orders in excess of 5% of the construction project contract or \$60,000, whichever is lower.

4.2 Conduct of Permissible Activities. In executing Permissible Activities, the Committee shall coordinate with District administrative staff to provide feedback on information and efforts received and reviewed, which feedback will also be reported to the Board. This process will support continuous feedback for the Board to consider as it executes its responsibilities to sell and expend bond funds and approve contracts, change orders, project plans and schedules. The Committee shall provide any feedback to District administrative staff at least one week prior to the next board meeting so that the feedback of the Committee can be included ~~in such as~~ a stand-alone report to the Board. The Committee Chair may supplement the report to the extent necessary with comments on agenda items at the Board’s public meetings.

Section 5. Membership.

5.1 Number.

The Committee shall consist of at least seven (7) members appointed by the Board from a list of candidates submitting written applications. The members of the Committee shall include at least:

- One (1) member shall be the parent or guardian of a child enrolled in the District.
- One (1) member shall be both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization, such as the P.T.A. or a school site council.
- One (1) member active in a business organization representing the business community located in the District.
- One (1) member active in a senior citizens' organization.
- One (1) member active in a bona-fide taxpayers association.
- Two (2) members of the community at-large.

5.2 Qualification Standards.

- (a) To be a qualified person, he or she must be at least 18 years of age.
- (b) The Committee may not include any employee or official of the District or any vendor, contractor or consultant of the District.

5.3 Ethics: Conflicts of Interest.

- (a) Committee members shall not be:
 - (1) an employee of the Visalia Unified School District.
 - (2) a vendor, contractor or consultant to the Visalia Unified School District
- (b) Committee members shall be able to regularly attend meetings and complete a two year term as a member of the Committee and refrain from becoming an employee, vendor, contractor or consultant to the district during your term.
- (c) Committee members may not hold any incompatible office or position during their term of membership, as those terms are defined in Article 4.7 of Division 4 of Title I (commencing with section 1125) of the California Government Code, and shall abide by the conflict of interest prohibitions contained in Article 4 of Division 4 of Title I (commencing with section 1090) of the California Government Code..

5.4 Term. Except as otherwise provided herein, each member shall serve a term of two (2) years, commencing as of the date of appointment by the Board. No member may serve more than three (3) consecutive terms. At the Committee's first meeting, members will draw lots or otherwise select a minimum of two members to serve for an initial one (1) year term and the remaining members for an initial two (2) year term. Members whose terms have expired may, at the discretion of the Board, continue to serve on the Committee until a successor has been appointed. Terms commence on the date the member is appointed to the Committee by the Board of Trustees.

5.5 Appointment. Members of the Committee shall be appointed by the Board through the following process: (a) the District will advertise on its website, and in other customary forums, as well as solicit appropriate local groups for applications; (b) the Superintendent will review the applications; and (c) the Superintendent will make recommendations to the Board.

5.6 Removal; Vacancy. The Board may remove any Committee member for any reason, including failure to attend two consecutive Committee meetings, without reasonable excuse or for failure to comply

with the Committee Ethics Policy. Upon a member's removal, his or her seat shall be declared vacant. The Board shall fill any vacancies on the Committee.

5.7 Compensation. The Committee members shall not be compensated for their services.

5.8 Authority of Members. (a) Committee members shall not have the authority to direct staff of the District; (b) individual members of the Committee retain the right to address the Board, either on behalf of the Committee or as an individual; (c) the Committee shall not establish sub-committees for any purpose; and (d) the Committee shall have the right to request and receive copies of any public records relating to Measure A funded projects.

Section 6. Meetings of the Committee.

6.1 Regular Meetings. The Committee shall hold four regular meetings each year, on the first ~~Tuesday~~ Wednesday of the months of March, June, September and December. The Committee may hold any additional special meetings as necessary to execute its functions, including the Permissible Activities.

6.2 Location. All meetings shall be held within the boundaries of the Visalia Unified School District, located in Tulare County, California.

6.3 Procedures. All meetings shall be open to the public. All meetings of the Committee shall be called, noticed, held and conducted subject to the provisions of the Brown Act.==

Section 7. District Support.

7.1 The District shall provide to the Committee necessary technical and administrative assistance as follows:

- (a) preparation of and posting of public notices, ensuring that all notices to the public are provided in the same manner as notices regarding meetings of the District Board;
- (b) provision of a meeting room, including any necessary audio/visual equipment;
- (c) preparation, translation and copies of any documentary meeting materials, such as agendas and reports; and
- (d) retention of all Committee records, and providing public access to such records on an Internet website maintained by the District.

7.2 District staff and/or District consultants shall attend Committee proceedings in order to report on the status of projects and the expenditure of bond proceeds.

Section 8. Reports. In addition to the Annual Report required in Section 3.2, the Committee may report to the Board from time to time in order to advise the Board on the activities of the Committee. Such report shall be in writing and shall summarize the proceedings and activities conducted by the Committee.

Section 9. Officers. The Committee shall elect a Chair and a Vice-Chair who shall act as Chair only when the Chair is absent. The Chair and Vice-Chair shall serve in such capacities for a term of one year and may be re-elected by vote of a majority of the members of the Committee.

Section 10. Effectiveness and Amendment of Bylaws. These Bylaws shall become effective upon approval of the Board. Any amendment to these Bylaws shall be approved by a majority vote of the Board.

Section 11. Termination. The Committee shall automatically terminate and disband concurrently with the Committee's submission of the final Annual Report which reflects the final accounting of the expenditure of all Measure A monies.