

## **Citizens' Oversight Committee By-Laws**

### **SAN JUAN UNIFIED SCHOOL DISTRICT CITIZENS' OVERSIGHT COMMITTEE BYLAWS**

#### **Section 1. Committee Established.**

The San Juan Unified School District (the "District") was successful at the election conducted November 2002 (the "Election"), in obtaining authorization from the District's voters to issue up to \$350,000,000 aggregate principal amount of the District's general obligation bonds (the "Bond Measure"). The election was conducted under Proposition 39, which is chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, at section 15264 et seq. of the California Education Code ("Prop 39"). Pursuant to section 15278 of the California Education Code ("Education Code"), the District is now obligated to establish the Citizens' Oversight Committee to order to satisfy the accountability requirements of Prop 39.

The Board of Education (the "Board") of the San Juan Unified School District hereby establishes the Citizens' Oversight Committee (the "Committee") which shall have the duties and rights set forth in these Bylaws. The Committee does not have independent legal capacity from the District.

#### **Section 2. Purposes.**

2.1. The purposes of this Committee shall be to:

- (a) Inform the public concerning the expenditure of bond revenues for the duration of the bond program,
- (b) Actively review and report on the proper expenditure of bond proceeds and ensure that these funds are used only on school improvements, not teacher or nonrelated administrator salaries or other nonrelated operating expenses;
- (c) Establish and maintain quality communication between the San Juan Unified School District Board and the community, and
- (d) Advise the Board on whether the goals of the bond election are being met. (Education Code section 15278)

2.2. 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 the Bond Measure. Regular and deferred maintenance projects and all monies generated under other sources shall fall outside the scope of the Committee review, but deferred maintenance funded from bond proceeds are within the jurisdiction of the Committee's review.

#### **Section 3. Duties.**

To carry out its stated purposes, the Committee shall perform the following duties:

3.1. Inform the Public: The Committee shall inform the public concerning the District's expenditure of bond proceeds.

3.2. Review Expenditures: The Committee shall review quarterly expenditure reports produced by the District to ensure that:

- (a) bond proceeds are expended only for the purposes set forth in the Bond Measure;

(b) no bond proceeds are used for any teacher or nonrelated administrator salaries or other nonrelated operating expenses.

3.3. Annual Report: The Committee shall present to the Board, in public session, an annual written report which shall include 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; and
- (b) A summary of the Committee's proceedings and activities for the preceding year.

3.4. Other Duties:

- (a) Receive an annual auditor's report
- (b) Provide reports to the Board on whether the expenditures match those promised during the bond campaign
- (c) Review the District's maintenance effort ensuring proper maintenance of school buildings after repair and renovation
- (d) Review the District's building maintenance and repair funding plans comprised of local and state bond funds, and other funding sources
- (e) Annually, at its May meeting, the Committee shall meet to discuss the following year's proposed projects, during which input shall be solicited from the public to establish cost reduction options. The Committee shall report the results and recommendations of the Committee to the Board.

#### **Section 4. Authorized Activities.**

4.1. In order to perform the duties set forth in Section 3.0, the Committee may engage in the following authorized activities:

- (a) At the invitation of the District Audit Committee, participate in the selection of bond performance auditors and assist in establishing the scope of the audit in accordance with GAGAS (Generally Accepted Government Auditing Standards).
- (b) Receive and review copies of the District's annual independent bond performance audit and annual independent financial audit, required by Article XIII A of the California Constitution.
- (c) Inspect District facilities and grounds for which bond proceeds have been or will be expended, in accordance with any access procedure established by the District's Superintendent.
- (d) Review copies of deferred maintenance proposal or plans developed by the District, including any reports required by section 17584.1 of the Education Code (deferred maintenance reports).
- (e) Review efforts by the District to maximize bond proceeds by implementing various cost-saving measures.
- (f) Support the Board in its commitment to refrain from issuing Capital Appreciation Bonds.

## Section 5. Membership.

5.1. Members: The Committee shall consist of a minimum of seven (7) members appointed by the Board as follows (Education Code section 15282):

- One (1) member who is a parent or guardian of a child enrolled in the District.
- One (1) member active in a business organization representing the business community located in the District.
- One (1) member active in a senior citizen's organization.
- One (1) member active in a bona-fide taxpayers' association.
- One (1) member who is both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization, such as the Parent-Teacher Association or a school site council.
- Two (2) members of the community at-large.

5.2. Qualification Standards:

(a) Qualifications for membership:

i. To be a qualified person, he or she must be at least 18 years of age, in accordance with Government Code section 1020 and reside within the District's geographic boundary.

(b) The committee may not include any employee, official of the District, or any vendor, contractor or consultant of the District.

(c) Members of the citizens' oversight committee shall, pursuant to Education Code sections 35233 and 72533, abide by the prohibitions contained in Articles 4 (commencing with Section 1090) and 4.7 (commencing with Section 1125) of the Government Code.

5.3. Ethics:

Conflicts of Interest. By accepting appointment to the Committee, each member agrees to comply with Articles 4 (commencing with Section 1090) and 4.7 (commencing with Section 1125) of Division 4 of Title I of the Government Code and the Political Reform Act (Government Code section 81000 et seq.). Additionally, each member shall comply with the Committee Ethics Policy attached as "Attachment A" to these Bylaws.

5.4. Term:

Except as otherwise provided herein, each member shall serve a term of two (2) years, commencing on the date of their appointment by the Board. No member may serve more than three (3) consecutive two-year terms (Education Code section 15282). To assure continuity, if more than three members of the Committee have the same appointment date, the Chair shall call for member volunteers to serve a reduced first term of one year, so that no more than one half minus one of members' terms shall expire at the same time. If voluntary adjustments cannot be thus made, the Chair shall recommend to the Board a revised first term of appointment, either greater or lesser, to achieve continuity.

5.5. Appointment:

Members of the Committee shall be appointed by the Board through the following process:

(a) The Board, local community organizations, and individuals will be solicited for applications;

(b) The Superintendent or his or her designee will review the applications;

(c) The Superintendent or his or her designee 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, in accordance with the established appointment process shall fill any vacancies on the Committee.

#### 5.7. Compensation:

The Committee members shall not be compensated for their services.

### **Section 6. Meetings of the Committee.**

6.1. Regular Meetings: The Committee will meet quarterly or at the request of the Committee Chair.

6.2. Location: All meetings shall be held within the School District, located in Sacramento County, California.

6.3. Procedures: All meetings shall be open to the public. Meetings shall be conducted according to parliamentary procedures and such additional procedural rules as the Committee may adopt. A majority of the number of Committee members shall constitute a quorum for the transaction of any business except adjournment.

### **Section 7. District Support.**

7.1. The District shall provide to the Committee necessary technical and administrative assistance including:

(a) Provision of a meeting room, including any necessary audio/visual equipment;

(b) Preparation and copies of any documentary meeting materials, such as agendas and reports; and

(c) 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 all Committee proceedings in order to report on the status of projects and the expenditures of bond proceeds.

### **Section 8. AMENDMENT OF BYLAWS**

Any amendment to these Bylaws shall be recommended by the Committee to the Superintendent. Any amendment of these Bylaws shall be approved by the Board prior to becoming effective.

### **Section 9. Officers.**

The Committee shall elect a chair and a vice chair who will each serve a one (1) year term.

## **Section 10. Termination.**

The Committee shall automatically terminate and disband at the earlier of the date when either (a) all bond proceeds are spent, or (b) all projects funded by bond proceeds are completed.

The following Ethics Policy Statement provides general guidelines for Committee members to follow in carrying out their roles. Not all ethical issues that Committee members face are covered in this Statement. However, this Statement captures some of the critical areas that help define ethical and professional conduct for Committee members. The provisions of this Statement were developed from existing laws, rules, policies and procedures as well as from concepts that define generally accepted good business practices. Committee members are expected to strictly adhere to the provisions of this Ethics Policy

### **CITIZENS' OVERSIGHT COMMITTEE ETHICS POLICY STATEMENT**

**CONFLICT OF INTEREST.** A Committee member shall not make or influence a District decision related to: (1) any contract funded by bond proceeds, or (2) any construction project which will benefit the committee member's outside employment, business, or provide a financial benefit to an immediate family member, such as a spouse, child or parent.

**OUTSIDE EMPLOYMENT.** A Committee member shall not use his or her authority over a particular matter to negotiate future employment with any person or organization that relates to: (1) any contract funded by bond proceeds, or (2) any construction project. A Committee member shall not make or influence a District decision related to any construction project involving the interest of a person with whom the member has an agreement concerning current or future employment, or remuneration of any kind. For a period of two (2) years after leaving the Committee, a former Committee member may not represent any person or organization for compensation in connection with any matter pending before the District that, as a Committee member, he or she participated in personally and substantially. Specifically, for a period of two (2) years after leaving the Committee, a former Committee member and the companies and businesses for which the member works as an employee or owner during his service as a Committee member shall be prohibited from contracting with the District with respect to: (1) bidding on projects funded by the bond proceeds; and (2) any construction project.

**COMMITMENT TO UPHOLD LAW.** A Committee member shall uphold the federal and California Constitutions, the laws and regulations of the United States and the State of California (particularly the Education Code) and all other applicable government entities, and the policies, procedures, rules and regulations of the San Juan Unified School District.

**COMMITMENT TO DISTRICT.** A Committee member shall place the interests of the District above any personal or business interest of the member.