

**RIVERSIDE UNIFIED SCHOOL DISTRICT
INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE BYLAWS**

Section 1. Committee Established. The Riverside Unified School District (the "District") was successful at the election on the November 8, 2016 in obtaining authorization from the District's voters to issue up to \$392,000,000 aggregate principal amount of the District's school facilities bonds ("Measure O"). The Measure O election was conducted under 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 obligated to establish an Independent Citizens' Bond Oversight Committee in order to satisfy the accountability requirements of Prop 39. Pursuant to Resolution 2016/17-37, the Board of Education of the District (the "Board") has established the Independent Citizens' Bond Oversight Committee (the "Committee") for Measure O which and has granted it the duties and rights set forth in these Bylaws. ~~The Committee does not have legal capacity independent from the District.~~

Section 2. Purposes. The purposes of the Committee are set forth in Prop 39, and these Bylaws are specifically made subject to the applicable provisions of Prop 39 as to the duties and rights of the Committee. The Committee shall be deemed to be subject to the *Ralph M. Brown Public Meetings Act* of the State of California and shall conduct its meetings in accordance with the provisions thereof. 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 Measure O are hereinafter referred to as "bond proceeds." The Committee shall confine itself specifically to bond proceeds generated under Measure O. ~~Regular and deferred maintenance projects and all~~ All monies generated under other sources shall fall outside the scope of the Committee's review.

Section 3. Duties. To carry out its stated purposes, the Committee shall perform ~~only, but not be limited to,~~ the duties set forth in Sections 3.1, 3.2, and 3.3 hereof, ~~and shall refrain from those activities set forth in Sections 3.4 and 3.5.~~

3.1 Inform the Public. The Committee shall inform the public concerning the District's expenditure of 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, or other designee as decided upon by the Committee. The Chair shall only release information that reflects the majority view of the Committee. A minority view shall be allotted equal opportunity to express their disagreement with the majority view upon a showing of one third (1/3) 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 O; 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 present to the Board, in public session, an annual written report for Measure O which shall include the following:

(f) 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.

(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.

(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.

(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.

(b) The establishment of priorities and order of construction for the bond projects, which shall be made by the Board in its sole discretion.

(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 without bond proceeds shall be outside the authority of the Committee.

3.5 Measure O Projects Only. In recognition of the fact that the Committee is charged with overseeing the expenditure of bond proceeds, the Board has not charged the Committee with responsibility for:

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

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:

- (b) A summary of the Committee's proceedings and activities for the preceding year.
- (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

Section 4. Authorized Activities.

4.1 In order to perform the duties set forth in Section 3.0, the Committee may engage in, but is not limited to, the following authorized activities:

- (a) Receive 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") at the same time said Audits are submitted to the District, but not later than March 31 of each year, and review the Audits.
- (b) 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.
- (c) 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.
- (e) 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.

Section 5. Membership.

5.1 Number.

a) The Committee shall consist of at least seven (7) members, initially appointed by the Board from a list of candidates submitting written applications, and based on criteria established by Prop 39, to wit:

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- 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.

b) Re-appointments and new appointments made after the Board's initial appointments shall be made by the Committee.

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5.2 Qualification Standards.

- (a) To be a qualified person, he or she must be at least 18 years of age.

5.6 Removal; Vacancy. The Board-Committee may remove any Committee member for any reason, including failure to attend having two consecutive absences from Committee meetings without reasonable excuse or notice in a calendar year, or for failure to

5.5 New Appointments. Members of the Committee shall be appointed by the Board-Committee through the following process: (a) the District will advertise in the local newspapers, on its website, and in other customary forums, as well as solicit appropriate local groups for applications; (b) the Superintendent-District will review the applications for compliance with Committee requirements; and (c) the Superintendent will make recommendations to the Board District will agendaize for the next Committee meeting for a vote.

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 or Committee. 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 continue to serve on the Committee until a successor has been appointed, but in no case longer than six (6) consecutive years. Members serving three (3) terms must take one (1) year off from the Committee before any re-instatement can be considered.

(ii) Members of the Committee shall not engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with, or inimical to duties as a member of the Committee or with the duties, functions, or responsibilities of the Committee or the District. A member of the Committee shall not perform any work, service, or counsel for compensation where any part of his or her efforts will be subject to approval by any other officer, employee, board, or commission of the Board, except as permitted under Article 4.7.

(i) Members of the Committee shall not be financially interested in any contract made by them in their official capacities or by the Committee, nor shall they be purchasers at any sale or vendors at any purchase made by them in their official capacity, all as prohibited by Article 4; and

(b) Pursuant to Section 35233 of the Education Code, the prohibitions contained in Article 4 (commencing with Section 1090) of Division 4 of Title 1 of the Government Code ("Article 4") and Article 4.7 (commencing with Section 1125) of Division 4 of Title 1 of the Government Code ("Article 4.7") are applicable to members of the Committee. Accordingly:

(a) Members of the Committee are not subject to the Political Reform Act (Gov. Code §§ 81000 *et seq.*), and are not required to complete Form 700; but each member shall sign, ~~empty~~ with the Committee Ethics Policy attached as "Attachment A" to these Bylaws before attending their first Committee meeting as a member.

5.3 Ethics: Conflicts of Interest.

(b) The Committee may not include any employee or official of the District nor any vendor, contractor or consultant of the District.

comply with the Committee Ethics Policy. That member shall have the opportunity to be heard by the Committee before action is taken. Upon a member's removal, his or her seat shall be declared vacant. The ~~Board~~Committee, in accordance with the established appointment process shall fill any vacancies on the Committee. The ~~Board~~Committee shall seek to fill vacancies within 90 days of the date of occurrence of a vacancy.

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

5.8 Authority of Members. (a) Individual 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 subcommittees for any purpose; and~~ (d) ~~the Committee shall have the right to request and receive copies of any public records relating to projects funded by Measure O.~~

5.8.5.9 Attendance Requirement. Members are expected to attend regular meetings of the Committee and provide 48-hour notice to the Chair should they know they will be absent. District shall agendaize and the Committee will determine whether an absence is excused at the next regular meeting.

Section 6. Meetings of the Committee.

6.1 Regular Meetings. The Committee shall meet at least ~~once a year~~quarterly, ~~but shall not meet more frequently than quarterly~~and may meet as frequently as needed.

6.2 Location. All meetings shall be held within the boundaries of the District, located in Riverside County, California.

6.3 Procedures. All meetings shall be open to the public in accordance with the *Ralph M. Brown Act*, Government Code Section 54950 *et seq.* Meetings shall be conducted according to such additional procedural rules as the Committee may adopt. A majority of the number of duly appointed Committee members shall constitute a quorum for the transaction of any business of the Committee. Votes shall be successful if carried by the majority of the quorum.

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 as required by the *Brown Act*, ensuring that all notices to the public are provided in the same manner as notices regarding meetings of the Board;
- (b) provision of a meeting room, including any necessary audio/visual equipment;
- (c) preparation, translation and copies of ~~any~~all documentary meeting materials, such as agendas and reports to be made available 7 days prior to the Committee meeting unless allowed by the Chair; and

(d) retention of all Committee records, including audiotapes of Committee meetings, 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.

7.3 No bond proceeds of Measure O may be made to provide the District support of the Committee.

7.4 District will make best efforts to comply with reasonable requests of the Committee.

7.5 District shall approve resources necessary for the Committee that are sufficient to carry out the duties set forth herein, including its own legal counsel if necessary.

Section 8. Reports. In addition to the Annual Report required in Section 3.3, 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 Superintendent-Superintendent shall appoint the initial Chair. Thereafter, 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, but not for a period of more than two (2) consecutive years.

Section 10. Amendment of Bylaws. Any amendment to these Bylaws shall be approved by a majority vote of the Board Committee.

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 O monies terminate upon its own motion after completing its duties.

Section 12. Severability. If any provision of this Agreement is held illegal or unenforceable in a judicial proceeding, such provision shall be severed and shall be inoperative, and, provided that the fundamental terms and conditions of this Agreement remain legal and enforceable, the remainder of this Agreement shall remain operative and binding on the Parties.

Section 13. Definitions.

(a) Independent. Not subject to the control of others, including the District, for which it provides oversight of bond proceeds, in accordance with Prop 39.

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1/3 vote

CITIZENS' BOND OVERSIGHT COMMITTEE ETHICS POLICY STATEMENT

This Ethics Policy Statement provides general guidelines for Committee members in carrying out their responsibilities. 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.

POLICY

- **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 a personal finance or benefit 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 shall be prohibited from contracting with the District with respect bidding on projects funded by the bond proceeds.~~
- **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 Riverside Unified School District.~~
- **COMMITMENT TO DISTRICT COMMUNITY.** A Committee member shall place the interests of the ~~District Community~~ above any personal or business interest of the member.

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