



Citizens' Bond Oversight Committee Role and Duties

**South San Francisco Unified School District
October 20, 2023**

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Background

- Measure T passed November 8, 2022
 - \$436 million Bond Authorization
 - Achieved almost 64% of the vote
- Board appointed CBOC members in August, 2023
- First bond series sold and closed April 2023
 - \$150 million available to begin projects

- Measure T Ballot Summary:

“To modernize classrooms, restrooms, and school facilities; make health, safety and security improvements, equip schools with 21st century learning technology, and construct local affordable rental housing for teachers and staff, shall South San Francisco Unified School District measure authorizing \$436.0 million in bonds, at legal rates, be adopted levying an estimated 6 cents per \$100 of assessed value generating on average \$27 million annually while bonds are outstanding, with a citizens’ oversight committee and independent audits on all bond money?”

- Resolution No. 22-47 Ordering School Bond Election, including Ballot Summary and Full Ballot Text with Project List comprise the full Measure

Purposes of the CBOC

- Mandated by “Proposition 39” as an accountability component of a 55% voter-approved bond measure
- Purpose:
 - To inform the public concerning the expenditure of bond revenues
 - Actively review and report on proper expenditure of taxpayers’ money for school construction
 - Advise whether District has met CA Constitutional requirements

CA Constitutional Requirements

- Ensuring bond revenues are expended only for construction, reconstruction, rehabilitation, or replacement of school facilities. (Article XIII A, Section 1(b)(3) of the California Constitution.)
- Ensuring no funds are used for any teacher and administrative salaries or other school operating expenses. (Article XIII A, Section 1(b)(3)(A) of the California Constitution.)



CBOC Composition

- 7 Members appointed, representing various constituency categories
 - 5 positions fill mandatory categories
 - 2 positions “at-large”
 - quorum of 7-member committee is **4** unless otherwise defined
- Members serve 2-year terms generally, with a maximum of 3 consecutive terms; terms begin July 1, 2023
- Committee exists until projects completed/funds spent



CBOC Authority & Guidance

- Education Code Sections 15278-15282
 - Composition; terms; duties; accountability, reports
- Measure T Ballot Measure/Resolution
- SSFUSD CBOC Bylaws

Permissible CBOC Activities

- Committee may:
 - Review annual audits performed by an independent consultant;
 - Inspect school facilities and grounds to ensure that bond revenues are expended in compliance with law;
 - Review any deferred maintenance proposals or plans;
 - Review efforts by District to maximize revenues by implementing cost-saving measures, such as:
 - Professional fees
 - Site preparation cost and other efficiencies
 - Joint use

CBOC Activities

- CBOC has a **review/audit** function, responsible to report to the public on its activities
- CBOC must produce at least one annual written report each year
- Decisions reserved for the District:
 - Determining how bond funds may be spent (within the parameters of Bond Project List)
 - Determining project timing, terms, priorities, construction details
 - Timing for issuance of bonds

Technical Assistance to CBOC

- District's Board/Staff to provide technical and administrative assistance to CBOC, such as:
 - ✓ Website information posting
 - ✓ Assist with preparation/posting of agendas; create minutes; provide Brown Act guidance
 - ✓ Provide financial and progress reports
 - ✓ Submit independent financial and performance audits to CBOC (no later than March 31st in each year for prior fiscal year)
 - ✓ Respond to findings, recommendations and concerns addressed in audits within 3 months

Meeting Schedule

- Frequency of meetings - recommend five meetings per year (Oct, Dec, March, May, July)
 - Project/Program updates at every meeting
 - Audit reports issued in January
 - Annual report issued thereafter
- Meetings require a quorum (**4** members) to be convened but all members should plan to attend every meeting

Permissible Uses of Bond Proceeds

- Construction, reconstruction, rehabilitation or replacement of school facilities
- Furnishing and equipping of school facilities
- Acquisition or lease of real property

Note:

All projects must be within scope of Bond Project List adopted by Board as part of the measure

Operating vs. Capital Expenses

- Despite prohibition on use for “school operating expenses,” bond funds may cover:
 - ✓ District employee salaries to the extent employees are engaged in construction-related services for bond-funded projects
 - ✓ Overseeing construction progress
 - ✓ Performing overall project management
 - ✓ Accounting that facilitates timely completion of the construction project
 - ✓ Costs incidental, but directly related, to bond-funded projects

Operating vs. Capital Expenses

- Other permissible expenditures:
 - ✓ Construction labor and materials costs
 - ✓ Professional fees (e.g., architects, construction managers, attorneys)
 - ✓ Other costs directly connected to real property acquisition and improvement projects (e.g., environmental review, relocation costs, temporary moves, etc.)



CBOC Meeting Requirements

The Ralph M. Brown Act (Government Code § 54950, *et seq.*)

Intent of the Brown Act

- To keep the public informed of the actions, debates and views of locally elected representatives
- To provide the procedural framework for local legislators to meet, debate, act and listen collectively to their constituents



The Brown Act: “Meetings”

- **Definition:**

“Any congregation of a **majority** of members of a legislative body at the **same time and place**, including teleconference locations, **to hear, discuss, or deliberate** upon any item within the subject matter jurisdiction of the legislative body.”



The Brown Act: “Meetings”

- Meetings do not include:
 - Individual contacts, communications or telephone conversations between a CBOC member and “any other person” (including another CBOC member) that do not constitute discussion, deliberation or taking action on CBOC business

The Brown Act: “Meetings”

- A majority of the members of a . . . body shall not, outside a noticed meeting, use a **series of communications** of any kind, directly or through **intermediaries** or **technological devices**, to discuss, deliberate, or take action on any item of business that is within the CBOC’s jurisdiction
- “Direct communication, personal intermediaries, or technological devices” include:
 - ✓ Telephone, e-mail, internet, instant messaging, texts
 - ✓ Social media – new rules as of January 1, 2021

Social Media

■ CBOC members:

- May use social media unrelated to CBOC business
- May use social media to provide/solicit information to/from members of the public or answer questions
- May **not** directly respond to any communication from another member regarding CBOC business (even if less than a majority)
- Must **avoid** otherwise permissible use of social media which results in a discussion between majority of CBOC members regarding business of a specific nature



Communication Recommendations

- Minimize any communication with CBOC members outside a noticed meeting via any means
 - Emails received on CBOC business should not be shared or discussed with the group – no use of “Reply All”
 - If using social media, only elicit information or share information with the public but do not use as a discussion forum involving other CBOC members
 - Seek feedback from SSFUSD on social media use



The Brown Act: Agendas & the Public

- Meetings are open to the public with a posted agenda and minutes
 - ✓ 72 hours' notice for all “regular” meetings
 - ✓ Held in accessible location with information regarding accommodations
 - ✓ Agenda:
 - Location, start time listed; posted physically and on SSFUSD website
 - Includes all items of business, whether information or action
 - Allows public comment on items both on and not on agenda (if within the CBOC's jurisdiction)



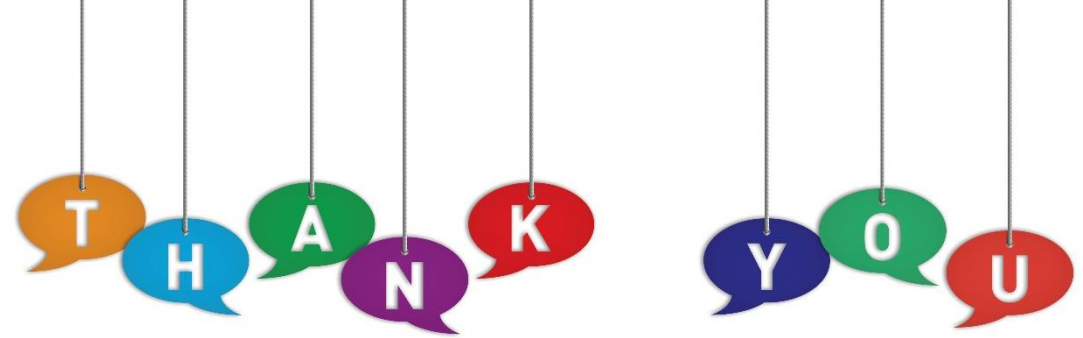
Ethics Compliance

- CBOC is subject to ethics doctrines:
 - ✓ No participation in District decision making, or attempt to use influence on construction program contracts in which member has a financial or personal interest or prospective interest
 - Ex. No bidding on District construction project by company of member
 - ✓ Place District interests above personal interests
 - ✓ Notify District if conflict concern arises



Questions and Comments





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