

**SAN YSIDRO SCHOOL DISTRICT
CITIZENS' OVERSIGHT COMMITTEE
BY LAWS**

Section 1. Background. In March 1997, the San Ysidro School District voters approved Proposition C, which authorized the District to sell up to \$250 million in General Obligation Bonds to finance the acquisition and improvement of real property for authorized school purposes. From 1997 to 2015 the District issued nine series of GO bonds totaling approximately \$217 million. Since these bonds were passed prior to Proposition 39 in 2000 (Smaller Classes, Safer Schools and Financial Accountability Act), a Citizen's Bond Oversight Committee was not required by State Law nor was there such provisions in the measure approved by the voters.

The Oversight Committee is formed to implement a recommendation of the "Grand Jury Audit of the San Ysidro School District Bonds" prepared by the County of San Diego Office of Audit and Advisory Services where it stated: "implement a Bond Oversight Committee to monitor SYSD's use of remaining bond proceeds." Based upon the Grand Jury recommendations, The Oversight Committee will be independent, vigorous in its efforts, and promptly alert and report, to the public, any waste or improper expenditure of school construction bond money.

While the General Obligation Bond measure passed prior to 2000, needed a 2/3 voter approval, and did not require a Citizens Bond Oversight Committee, the Citizens' Oversight Committee By Laws is adopted and established by the Board of Trustees ("Board") of the District using the provisions and requirements of Article 2 of Chapter 1.5 of Part 5 of Division 1 of Title 1 of the California Education Code 15264 et seq., (hereinafter the "Law") and pursuant to Education Code Section 35160 which governs Oversight Committees established pursuant to Proposition 39 in 2000 (Smaller Classes, Safer Schools and Financial Accountability Act).

Section 2. Committee Established. The Oversight Committee shall consist of seven (7) members and at no time consist of less than five (5) members, subject to the provisions of Sections 2.0 and any vacancies which may occur. The Oversight Committee may not include any employee or official or any vendor, contractor or consultant of the District.

2.0 The Oversight Committee shall include all of the following positions:

- (a) One (1) member who is active in a business organization representing the business community located within the District;
- (b) One (1) member who is active in a senior citizen's organization;
- (c) One (1) member who is active in a bona fide taxpayer association;
- (d) One (1) member shall be the parent or guardian of a child enrolled in the District;
- (e) 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 Parent Teacher Association or school site council.
- (f) Two (2) members shall be Community Members at Large.

2.1 It is preferred that, a majority of the members of the Oversight Committee shall possess skills and/or experience in construction, municipal finance, public agency budgeting, project management, design and related fields.

2.2. It is preferred that members be a resident of the San Ysidro School District.

Section 3. Purposes. The purpose of the Oversight Committee shall be to inform the public, at least annually in a written report, concerning the expenditure of Proposition C Bond proceeds.

3.0 In carrying out this purpose the Oversight Committee shall:

- (a) Actively make inquiries, analyze information, review and report on the compliance and/or proper expenditure of Proposition C Bond proceeds and if approved future General Obligation Bonds approved by the voters;
- (b) Promptly alert and report to the public any waste, non-compliant or improper expenditure of school construction bond money.
- (c) Conduct its proceedings in a fair and impartial manner holding the District accountable for its spending.
- (d) Recommend bond program compliance, reporting reliability, efficiency and effectiveness improvements that result from Bond Program monitoring actions performed.
- (e) Shall receive a Performance Audit of the District that reviews the efficiency and effectiveness of the bond program.

3.1 The Oversight Committee shall solely review the expenditure of Proposition C bond proceeds starting with those expenditures beginning on the date in which the County Office of Education assumed responsibility for management of the bond program.

Section 4. Authorized Activities. In furtherance of its specifically enumerated purposes, the Oversight Committee may engage in any of the following activities relating solely and exclusively to the expenditure of the Proposition C Bond proceeds.

4.1 Committee responsibilities consist of the following:

- (a) Receive and review copies of a n y performance audit(s) conducted by an independent consultant selected by the District to review the efficiency and effectiveness of the bond program and assurance that bond proceeds are consistent with the ballot measure.
- (b) Receive and review copies of the annual financial audit(s) conducted by an independent consultant selected by the District.

- (c) Inspect school facilities and grounds, during normal District business hours, and subject to state laws concerning campus security, to ensure that Proposition C Bond proceeds are expended for the purposes set forth in the bond Proposition approved by the voters;**
- (d) Receive and review copies of all deferred maintenance proposals or plans developed by the District.**
- (e) Review efforts by the District to maximize Proposition C Bond revenues by implementing cost-saving Propositions, including, but not limited to:**
 - (i) Mechanisms designed to reduce the cost of professional fees.**
 - (ii) Mechanisms designed to reduce the costs of site preparation.**
 - (iii) Recommendations regarding the joint use of core facilities.**
 - (iv) Mechanisms designed to reduce costs by incorporating efficiencies in school site design.**
 - (v) Recommendations regarding the use of cost-effective and efficient reusable plans.**
 - (vi) Progress of construction projects.**
 - (vii) Budgets showing updated projects costs vs. actuals.**
 - (viii) Cash flow schedules showing available bond proceeds, amounts committed, and available cash.**
 - (viii) Change Orders and Claims Avoidance.**
 - (ix) District strategic master planning process for facilities and alignment of master plans with budgets and schedules construction bond program activities.**
 - (x) Maintenance Plans and ongoing maintenance procedures in place to assure preservation of assets.**
 - (xi) Procurement policies and procedure for awarding of consulting and construction contracts.**
 - (xii) Adequacy of project scoping and phasing plans.**
 - (xiii) Provide input if necessary on contracts, change orders, expenditure of funds, project plans and schedules, deferred maintenance plans, and sale of bonds.**

Section 5. Membership.

5.0 Appointments.

- (a) Appointments shall be discussed and made in open session in accordance with Government Code Section 54957. The appointment(s) shall be made at a regularly scheduled meeting of the Board.
- (b) The Board will solicit applications for appointment to the Oversight Committee and will require candidates for membership on the Oversight Committee to submit information on a stated form.
- (c) The selection of Bond Oversight Committee members shall consist of the following process:
 - (i) Standard Applications will be solicited by the District with a wide distribution via the District web site, social media, and in personal outreach to known Community Members and Groups.
 - (ii) Applications will be screened by District staff to ensure applicants meet the minimum requirements of the position.
 - (iii) A background investigation to assess applicant criminal records and reliability of application information provided.
 - (iv) An Evaluation Panel, consisting of District staff, Community members, other School District professionals, and if available an oversight member will review and interview applicants and rate each applicant relative to the qualifications of the position.
 - (v) The Evaluation Panel will make recommendations to the Superintendent on the recommended Committee appointees.
 - (vi) The Board has authorized the Superintendent, or the Superintendent's designee(s), to make recommendations to the Board on Oversight Members. The Board may interview the applicants at a Board meeting prior to selection.

5.1 Term.

- (a) The Oversight Committee members shall serve for a term of three years without compensation. Members may be appointed by the Board, at its discretion, for no more than three (3) consecutive terms as provided by the Law. A member of the Oversight Committee may serve multiple non-consecutive terms as the Board may determine or direct.
- (b) The term of office of an Oversight Committee member shall end upon the completion of their term or, in the event that a vacancy for that Oversight Committee member's position is determined by the Board as set forth in this Policy and Regulations.
- (c) The term of office of a member of the Oversight Committee may end prematurely in the event

that the Oversight Committee terminates pursuant to the provisions set forth in Section 5.2 hereof.

5.2 Vacancies.

Determination of Vacancy. The power to make determinations as to vacancies on the Committee is expressly reserved to the Board. The Superintendent on behalf of the Board may determine that an Oversight Committee member's seat on the Oversight Committee has become vacant under any of the following circumstances:

- (a) Resignation of that Oversight Committee member submitted in writing to the Superintendent (which shall be effective upon its receipt by the Superintendent);
- (b) Death, or a legal determination of the incapacity, of that Oversight Committee member;
- (c) Conviction of a violation of Government code Section 1090 et seq. or other applicable conflict of interest laws (see Section 8.3);
- (d) Conviction of any crime resulting in imprisonment.
- (e) As may otherwise be prescribed or required by law.
- (f) Failure to attend three consecutive meetings without a reasonable excuse.

5.3 Service Without Compensation. Members of the Oversight Committee shall serve without compensation.

5.4 Non-Liability for District Debts. The private and personal property of the Oversight Committee members shall be exempt from execution or other liability for any debts, liabilities or obligations of the District or the Oversight Committee, and no Oversight Committee members shall be personally liable or responsible for any debts, liabilities or obligations of the District or the Oversight Committee except where expressly set forth in California law.

5.5 Conflicts of Interest and Prohibited Actions. It is the express desire and intention of the Board that members of the Oversight Committee shall not be, or have, any financial interest in the matters which they review. All Oversight Committee members shall be subject to the following requirements:

- (a) Each member, as a condition of membership on the Oversight Committee, will be required to sign a certification declaring that he or she has no conflict of interest as to the issues which shall be before the Oversight Committee.
- (b) Each member shall perform his or her duties in an impartial manner, free from bias caused by his or her own financial interests or the financial interests of persons who have supported him or her. Each Oversight Committee member is obligated to discharge his or her responsibilities with integrity and fidelity.

Section 6. Committee Operations. As appropriate, report on and/or provide comments (which may be written or oral) to the Board and/or public upon any activities listed above, or any other matters as are within the Oversight Committee's purview.

61 Brown Act Compliance; Public Records. Regular meeting dates, time, and place shall be established by the Oversight Committee and published/posted in accordance with the Ralph M. Brown Act (being Government Code Sections 54950 et seq.) and applicable District posting procedures. All Oversight Committee proceedings shall be open to the public and shall be subject to the provisions of the Ralph M. Brown Act.

62 Rules of Procedure and Decorum. The Oversight Committee may establish rules for the conduct of the Oversight Committee's proceedings. These rules may be enacted by motion or resolution. The rules must be congruent with fundamental concepts as to public agency notice and hearings.

63 Attendance at Board Meetings. Members of the Oversight Committee may be requested to attend the meeting(s) of the Board or joint meeting of the Board and Oversight Committee.

64 Subcommittees. The Oversight Committee may form Subcommittees subject to the Brown Act or Ad Hoc Subcommittees to address special short term issues as they arise.

6.5. Agendas. The Chair of the Bond Oversight Committee shall set the Agenda for the Bond Oversight Committee meeting in consultation with District staff. In addition, if two CBOC members request an Agenda item, it shall be put on the Agenda.

6.6 Chair and Vice Chair. The Committee shall elect on an annual basis a Chair and Vice Chair.

6.7. Performance Audit. The District shall prepare a Performance Audit which reviews efficiency and effectiveness measures.

Section 7: Limitations on Activities. The Board hereby sets forth the following limitations on the actions and activities of the Oversight Committee (although the Oversight Committee may review documents relating to such activities):

- (a) The Oversight Committee has no authority to participate in the District's Bond issuance process or Bond sale, or to make decisions regarding the terms, timing or structure of the Bond issuance;
- (b) The Oversight Committee does not have the authority, once the Bonds are issued and sold, to determine how the Bond funds shall be expended nor the establishment of project priorities or phasing, or review and comment on any expenditure that is not related to Proposition C.
- (c) The Oversight Committee members do not have the authority to solicit, select or participate in the negotiation or bid process for contractors or consultants for Bond financed

projects (however, Oversight Committee members may be invited to witness bid openings, participate in evaluation committees for selection of bond program consultants or other such qualification based selections such design build projects).

(d) The Oversight Committee members do not have the authority to control, comment upon and have no power of approval over or upon design, architectural or engineering considerations or matters relating to facilities funded or constructed with bond proceeds including the budget to support the Bond Oversight Committee.

(e) The Oversight Committee, and its members, may enter upon, tour, and inspect, District job sites, project boundaries and construction projects only with the express permission of the District's Superintendent (for reasons which include, but are not limited to, campus security, public safety, interference with contractors and liability matters).

(f) The Oversight Committee, and its members, may not contact District consultants or contractors without the prior permission of the Superintendent or his/her designee.

(g) The Oversight Committee shall not have authority over these By Laws or appointment of its members.

(h) The Oversight Committee shall not take a position on support neutrality or opposition to any potential new General Obligation Committee (however this does not preclude any individual member taking positions).

Section 8: District Support and Regulations. The Board, without any use of Proposition C Bond proceeds, shall provide the Oversight Committee with:

(a) All reasonably necessary technical assistance and reasonable administrative assistance in furtherance of the Oversight Committee's purpose; and

(b) Sufficient resources to prepare and publicize the Oversight Committee's conclusions, all documents received by the Oversight Committee, minutes from the Oversight Committee's meetings and reports issued by the Oversight Committee (including establishing, operating and updating the Oversight Committee Internet Website).

80 Delegation of Board's Authority. The Board hereby appoints the Superintendent or his/her designee as its designees, to assist the Board in implementing the provisions, sections, terms and sub-sections of this Policy and Regulations

81 Amendment of Policy and Regulations. The Policy and Regulations set forth herein shall be subject to such later and further amendments by the Board to the extent permissible by applicable law.

82 Severability. If any article, section, subsection, paragraph, sentence, clause or phrase contained in this Policy and Regulations shall become illegal, null or void or against public policy, for any reason, or shall be held by a court of competent jurisdiction to be illegal, null or void or against public policy, the remaining articles, sections, subsections, paragraphs, sentences, clauses or phrases contained in this Policy and Regulations shall not be affected thereby.