River Delta Unified School District

Measures J and K Bond Oversight Committees Workshop







Presented by Lori Raineri and Matt Kolker January 11, 2021

Tonight's Agenda

- District's General Obligation Bond Measures
- District's Historical Citizens' Bond Oversight Approach
- Measures J and K
- Review of the Strict Accountability in Local School Construction Bonds Act of 2000
- For Reference

History with General Obligation Bonds

Election History, General Obligation Bonds					
				Required	Vote
<u>Date</u>	<u>Measure</u>	<u>Location</u>	<u>Authorization</u>	<u>Approval</u>	Received
Nov 2, 2004	U	SFID #1	\$14,000,000	55%	72.7%
Nov 2, 2004	V	SFID #2	\$9,000,000	55%	78.4%
Nov 3, 2020	J	SFID #1	\$45,700,000	55%	63.6%
Nov 3, 2020	K	SFID #2	\$14,600,000	55%	65.0%

- Measure U-all original bonds have been issued
 - and refinanced for taxpayer savings
 - ▶ final taxation in fiscal year 2028-29
- Measure V-all original bonds have been issued
 - and refinanced for taxpayer savings
 - ▶ final taxation in fiscal year 2047-48
- First issuance of Measures J and K anticipated in Spring 2021

District Experience with Oversight



RIVER DELTA UNIFIED SCHOOL DISTRICT

445 Montezuma Street Rio Vista, California 94571-1651 (707) 374-1700 Fax (707) 374-2995

BOND OVERSIGHT COMMITTEE MEETING SCHEDULE 2010/2011

Listed below are the dates for both SFID #1 and SFID #2 bond oversight committee meetings (subject to change). Please call Rose Ramos in the Business Office at (707) 374-1715 if you have

SFID #1

Items/Titles Due	Meeting Dates	Meeting Times	Locations	Meeting Types
August 23, 2010	September 7, 2010 (Tues)	6:30 p.m.	All meetings will	All are regularly
October 25, 2010	November 8, 2010 (Mon)	for all meetings	be held at the Rio Vista High School	scheduled meeting dates.
January 17, 2011	February 1, 2011 (Tues)	unless special time	Performing Arts Theatre – unless	
April 18, 2011	May 3, 2011 (Tues)	is arranged.	otherwise noted.	

SFID #2

Items/Titles Due	Meeting Dates	Meeting Times	Locations	Meeting Types
November 1, 2010 Novemb	September 9, 2010 (Thurs) November 18, 2010 (Thurs) February 3, 2011(Thurs) May 5, 2011(Thurs)	6:30 p.m. for all meetings unless special time is arranged.	All meetings will be held at Walnut Grove School – unless otherwise noted.	All are regularly scheduled meeting dates.

Walnut Grove School Delta High School
D.H. White Elementary Rio Vista High School
River Delta High/Elementary School

Wind River School Mokelumne High School

Measures U and V Bond Oversight Committees met several times per year

All Measures U and V proceeds expended

Moving Forward with Measures J and K

River Delta Joint Unified School District Measure J			
Result	Votes	Percentage	
✓ Yes	4,753	63.58%	
No	2,723	36.42%	

MEASURE J

"To upgrade schools, retain/attract quality teachers by repairing leaky roofs; removing asbestos/mold; building science labs; updating aging technology, fire/drinking water safety; repairing, constructing, equipping/acquiring educational facilities to prepare students for college/careers, shall River Delta Unified School District issue \$45,700,000 in bonds at legal rates levying an estimated 6¢/\$100 of assessed value, averaging \$2,600,000 raised annually while bonds are outstanding, requiring audits, citizens' oversight/ all funds used locally, be adopted?"

River Delta Joint Unified School District Measure K			
Result	Votes	Percentage	
✓ Yes	1,175	64.95%	
No	634	35.05%	

MEASURE K

What the Funds Are For

MEASURE J

"To upgrade schools, retain/attract quality teachers by repairing leaky roofs; removing asbestos/mold; building science labs; updating aging technology, fire/drinking water safety; repairing, constructing, equipping/acquiring educational facilities to prepare students for college/careers, shall River Delta Unified School District issue \$45,700,000 in bonds at legal rates levying an estimated 6¢/\$100 of assessed value, averaging \$2,600,000 raised annually while bonds are outstanding, requiring audits, citizens' oversight/ all funds used locally, be adopted?"

MEASURE K

Where the Funds Will Come From

MEASURE J

"To upgrade schools, retain/attract quality teachers by repairing leaky roofs; removing asbestos/mold; building science labs; updating aging technology, fire/drinking water safety; repairing, constructing, equipping/acquiring educational facilities to prepare students for college/careers, shall River Delta Unified School District issue \$45,700,000 in bonds at legal rates levying an estimated 6¢/\$100 of assessed value, averaging \$2,600,000 raised annually while bonds are outstanding, requiring audits, citizens' oversight/ all funds used locally, be adopted?"

MEASURE K

What It Will Cost Taxpayers

MEASURE J

"To upgrade schools, retain/attract quality teachers by repairing leaky roofs; removing asbestos/mold; building science labs; updating aging technology, fire/drinking water safety; repairing, constructing, equipping/acquiring educational facilities to prepare students for college/careers, shall River Delta Unified School District issue \$45,700,000 in bonds at legal rates levying an estimated 6¢/\$100 of assessed value, averaging \$2,600,000 raised annually while bonds are outstanding, requiring audits, citizens' oversight/ all funds used locally, be adopted?"

MEASURE K

Extra Oversight and Citizen Participation

MEASURE J

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MEASURE K

Measure J - Project List

"To upgrade schools, retain/attract quality teachers by repairing leaky roofs; removing asbestos/mold; building science labs; updating aging technology, fire/drinking water safety; repairing, constructing, equipping/acquiring educational facilities to prepare students for college/careers, shall River Delta Unified School District issue \$45,700,000 in bonds at legal rates levying an estimated 6¢/\$100 of assessed value, averaging \$2,600,000 raised annually while bonds are outstanding, requiring audits, citizens' oversight/ all funds used locally, be adopted?"

EXHIBIT A

FULL TEXT OF THE MEASURE

_, the River Delta Unified School at rates not exceeding the statutory time, for the purpose of randing the seaton listed below under the heading "School Facilities Projects to Be Funded with Projects to Be Funded wit (the "Bond Projects").

Bond Accountability Measures

The Board certifies that it evaluated safety, condition of aging class class size reduction, career technology, and information technology needs in de-the Projects set forth below.

The Board will conduct financial and performance audits annually to ac funds and for their expenditure on the specific authorized projects.

. Board will appoint a citizens' oversight committee (the The Board will appoint a citizens' oversight committee (the "Cc Committee") having a minimum of seven members and including at least one a business organization representing the business community located within the Sc members active in a senior citizens' organization, one member active in a bon organization, one member who is the parent or guardian of a child enrolled in the senior of the senior citizens' organization or guardian of a child enrolled in the Sc and one member who is both a parent or guardian of a child enrolled in the Sc and the law search shoulder granularization. active in a parent-teacher organization.

The Project List set forth below describes the specific projects the School to finance with proceeds of the Bonds.

Proceeds from the sale of bonds authorized by this measure shall be eonstruction, reconstruction, rehabilitation, removal, or replacement, along v school facilities as set forth herein, including the furnishing and equipping of as or the acquisition or lease of real property for said school facilities.

School Facilities Projects to Be Funded with Proceeds of

In order to meet all identified facility needs, the School District Projects using a combination of funding sources. These sources may incl development impact fees, state funds, and other available funds. The School development impact fees, state funds, and other available funds. The School state matching funds if and when they become available, and if received, the Projects on this list of authorized Projects or other high priority capital out-permitted in Education Code section 17070.63(c).

115480v5 / RVRDELUSD 35.3

It is the intent of this Resolution to generate funds for the construction, rec modernization, repair, and upgrade of schools serving School District students in SFID N identified in the attached map (see "Exhibit A-1").

Specific Projects which may be funded by the Bonds shall include the following:

- Infrastructure and Systems

 Repair/replace/upgrade drinking water systems to ensure safe drinking water systems may include additional wells and well filtration systems.
- Install and/or replace/repair/upgrade fire water systems. These systems may hydrants, backflow prevention systems, double decker valves, fire sp appurtenant infrastructure.
- Install/update/replace/repair fire and life safety systems as required by currenthe Division of the State Architect. These systems could include, but are not the Division of the State Architect. Ansul systems; door hardware; fire suppression systems; remove unrated existing spaces for fire safety; kitchen and kitchen equipment upgrades, et
- Replace/repair/upgrade electrical systems to current standards.
- Install and/or replace/repair/upgrade equipment and technology syste student learning, efficient operations, increased capacity and/or proces systems may include but are not limited to wiring for computer systems
- Replace/repair/upgrade heating, air conditioning, and ventilation syste
- Replace/repair/upgrade emergency power systems.
- Install and/or replace/repair/upgrade security systems. These system gates, video surveillance cameras, security alarms, security bars, do curtains, and other security measures.
- Replace/repair/upgrade interior and exterior lighting systems and Replace/repair/upgrade public address, intercom, clock, bell,
- · Install updated energy management systems, to promote en

Building and Grounds

- Replace/repair/upgrade roof and roof drainage systems is eliminating leaky roofs. Replace damaged areas due to dry re
- Repair/replace/upgrade deteriorating sewer and gas lines.

115480v5 / RVRDELUSD 35.3

- Upgrade seismic, structural, and fire-life safety systems.
- Constructions of science laboratories.
- Replace/repair/upgrade plumbing systems, including repair/removal/replace Upgrade student and staff restrooms to current standards including access
- Install/update/replace/repair American Disability Act systems as required; and/or the Division of the State Architect. These systems could include, be cascossible ramps to portable classrooms; classible warming surface install/replace signage; install cub ramps; install install/replace signage; install cub ramps; install definition of the control of the country insurrepair recession restrooms, for com students and start, means, drinking fountains; install/repair site aspialt and/or concrete for path of the contract o urinaring rounianus, instaurrepair are aspinan amous converse our pain or a accessibility; field improvements related to restrooms, accessibility and
- Replace/repair/upgrade security/surveillance systems, add additional sy
- Upgrade of classrooms and facilities at any School District school site
- Repair/replace/upgrade/remove portable classrooms.
- Improve and upgrade school sites through necessary site work inclu excavation and/or grading. removal of obsolete portable elastroe systems, installation of landscaping, and construction and paving q Repair/replace/upgrade window and flashing systems.
- Repair/replace/upgrade stucco and siding.
- Replace/repair/upgrade/construct library, multi-purpose, cafeter field, classroom, office and support spaces, and/or computer lab i
- Repaint/upgrade interior finishes
- Repaint building exteriors.
- Replace/repair/upgrade flooring systems.
- Asbestos, mold, and lead abatement or encapsulation.
- Upgrade and improve scope in the flood plain to protect exists

115480v5/RVRDELUSD,35.3

- Parking, Emergency Vehicle and Access Roads, Asphalt Hardcourts
- Replace/repair/upgrade asphalt paving, including correction of drainage problems. Repair/upgrade and/or expand school site parking, roadways, grounds and other infrared ways, walkways, ADA access ramps and related landscaping.

- Play Fields, Sports Facilities, and Play Structures
- Replace/repair/approde/improve safety of physical education, sports facilities, and play Replace/repairingstade athletic and recreation fields/courts and hardscape areas, including automating irrigation systems. , Replace/repair/upgrade athletic facilities such as press box and bleachers.

Deta Cuttled School District Projects, as well as others, is specified and detailed in the River October 15, 2019 and incorporate Projects, as well as others, is specified and detailed in the River District Projects and incorporation of the Company of the Compa

reunstances in order to permit the continuance of existing educational services or to avoid age. To life or property; other work recessary to satisfy the requirements of the Division of Architect or other State laws, codes, and regulations.

- Project expenditures may also include: Bond Program Management Costs
- Program Costs: Staffing and other general and administrative costs to manage and execute
 the Bond Program. Escalation Reserve: Reserve for unforescen inflation costs.

Measure K - Project List

MEASURE K

"To upgrade schools, retain/attract quality teachers by repairing leaky roofs; removing asbestos/mold; keeping schools safe; updating technology, fire/drinking water safety; repairing, constructing, equipping/acquiring educational facilities to prepare students for college/jobs/careers, shall River Delta Unified School District issue \$14,600,000 in bonds at legal rates levying an estimated 6¢/\$100 of assessed value, averaging \$845,000 raised annually while bonds are outstanding, requiring audits, citizens' oversight/all funds used locally, be adopted?"

EXHIBIT A

FULL TEXT OF THE MEASURE

_, the River Delta Unified S Upon the passage of Measure _____ the River Delta Unified 8
District") on behalf of School Facilities Improvement District No. 2 (
authorized to issue bonds in the aggregate amount of \$14,60,000 (the "li aumorized to insite norms in the aggregate amount of \$14,000,000 (tine "It at rates not exceeding the statutory limit, for the purpose of funding the island below under the heading "School Facilities Projects to Be Funded visited "Month School". (the "Bond Projects").

Bond Accountability Measures

The Board certifies that it evaluated safety, aging classrooms reduction, career technology, and information technology needs in dev

The Board will conduct financial and performance audits annually funds and for their expenditure on the specific authorized projects.

The Board will appoint a citizens' oversight committee Committee") having a minimum of seven members and including at least business organization representing the business community located within t numers organization representing the outliness community to elect within member active in a senior citizens' organization, one member active in niber active in a senior citizens: organization, one member active in a anization, one member who is the parent or guardian of a child enrolled organization, one member who is both a parent or guardian of a child enrolled in t active in a parent-teacher organization

The Project List set forth below describes the specific projects the S to finance with proceeds of the Bonds,

Proceeds from the sale of bonds authorized by this measure shall Process from the sate of bords authorized by an in measure said construction, reconstruction, rehabilitation, removal, or replacement, along school facilities as set forth herein, including the furnishing and equipping or or the acquisition or lease of real property for said school facilities.

School Facilities Projects to Be Funded with Proceed

In order to meet all identified facility needs, the School District In order to meet all identified facility needs, the School District Projects using a combination of funding sources. These sources may int development impact fees, state funds, and other available funds. The Scho state matching funds if and when they become available, and if received, Projects on this list of authorized Projects or other high priority capital or negretated in Education Code sourten 17070 GVo. permitted in Education Code section 17070.63(c).

115032v5 / RVRDELUSD.35.4

It is the intent of this Resolution to generate funds for the construction, re-It is the intent of this Resolution to generate funds for the construction, reconstruction, repair, and upgrade of schools serving School District students in SFID No. 2, identified in the attached map (see "Exhibit A-1"). Specific Projects which may be funded by the Bonds shall include the following:

- Repair/replace/upgrade drinking water systems to ensure safe drinking water.
 Systems may include additional wells and filtration systems.
- Install and/or replace/repair/upgrade fire water systems. These systems incluhydrants, backflow prevention systems, double decker valves, fire sprinkles
- Install/update/replace/repair fire and life safety systems as required by current or Install/update/replace/repair fire and life safety systems as required by current coe in the Novision of the State Architect. These systems could include, but are not be in Arnul systems; door hardware; fire suppression systems; remove unrated space existing spaces for fire safety; kitchen and kitchen equipment upgrades, etc.
- Install and/or replace/repair/upgrade security systems. These systems may incl massan anaror repince/repairupgrade security systems. These systems may inc gates, video surveillance cameras, security alarms, security bars, door hardw curtains, and other security measures.
- Replace/repair/upgrade electrical systems to current standards
- Install and/or replace/repair/upgrade equipment and technology systems install analor replace/repair/upgrade equipment and section/upgrade student learning, efficient operations, increased capacity and/or processis systems may include but are not limited to wiring for computers and inter-
- Replace/repair/upgrade heating, air conditioning, and ventilation systems
- Replace/repair/upgrade emergency power systems.
- Replace/repair/upgrade interior and exterior lighting systems and contract Replace/repair/upgraue interior and seasons againing a yacens and control Replace/repair/upgrade public address, intercom, clock, bell, telept
- Install updated energy management systems, to promote energy

- Replace/repair/upgrade roof and roof drainage systems includ eliminating leaky roofs. Replace damaged areas due to dry rot.
- Repair/replace/upgrade deteriorating sewer and gas lines.

115032+5 / RVRDELUSD.35.4

Upgrade seismic, structural, and fire-life safety systems.

- Replace/repair/upgrade plumbing systems, including but not repair/removal/replacement of boiler systems and septic systems.
- Upgrade student and staff restrooms to current standards including accessibility
- Asbestos, mold, and lead abatement or encapsulation.
- Install/update/replace/repair American Disability Act systems as required by estand/or the Division of the State Architect. These systems could include, but are to accessible ramps to portable classrooms; detectable warning surface on ginstall/repair andrails; install/replace signage; install curb ramps; install/repair accessible restrooms, for both sites and staff; install/repair drinking foundains: install/repair site sumbalt and/or countrate for rath of fixed. ains; install/repair site asphalt and/or concrete for path of trav accessibility; field improvements related to restrooms, accessibility and view
- Replace/repair/upgrade security/surveillance systems, add additional systems.
- Upgrade of classrooms and facilities at any School District school site with
- Repair/replace/upgrade/remove portable classrooms.
- Improve and upgrade school sites through necessary site work including but a second site of the second sites and the second sites through necessary site work including but a second site of the second sites and the second sites are second sites improve and upgrade sensor sites through necessary site work inclinance excavation and/or grading, removal of obsolete portable classrooms at systems, installation of landscaping, and construction and paving of path
- Repair/replace/upgrade window and flashing systems.
- Repair/replace/upgrade stucco and siding.
- Replace/repair/upgrade/construct library, multi-purpose, cafeteria, gym field, classroom, office and support spaces, and/or computer lab facilitie
- Repaint/upgrade interior finishes
- Repaint building exteriors.

115032v5 / RVRDELUSD 35.4

- Replace/repair/upgrade flooring systems.
- Upgrade and improve scope in the flood plain to protect existing and r

- Parking, Emergency Vehicle and Access Roads, Asphali Hardcourts Replace/repair/upgrade asphalt priving, including correction of drainage problems. Repair/upgrade and/or expand school site parking, roadways, grounds and other infrastructure such as utility systems, including installing exterior lighting, repairing pathways, walkways, ADA access ramps and related landscaping
- Play Fields, Sports Facilities, and Play Structures

- Replace/repair/upgrade/ improve safety of physical education, sports facilities, and play structures.
- Replace/repair/upgrade fields and hardscape areas, including automating irrigation

The need for each of these Projects, as well as others, is specified and detailed in the River Detaber 13, 2017 and incorporate Projects, as well as others, is specified and detailed in the River Oxtober 13, 2017 and incorporate Projects in Projects on a specified above the Report, to the extent it serves Peyer. These affects, Cadditional Projects include work identified above for the acquired in the Report of the Acquired Projects include work indicated in the comparation of all facilities plantine and project implementations affurnitive and infinite and project implementations affurnitive and infinite indicated plantine, and environmental studies; acquisition of temporary for displaced programs or activities caused or necessitated by construction projects, and assessment reviews, master planning, and environmental studies; acquisition of temporary bousing for displaced programs or activities caused or accessitated by construction projects, and environmental construction, representation of the construction projects and construction, representations of eviration and accession of the construction of construction, repairs, and improvements in the event of unforescen emergencies or other circumstances in order to permit the continuance of existing educational services or to avoid danger to life or property; other work necessary to satisfy the requirements of the Division of State Architect or other State Issue, codes, and regulations.

Bond Program Management Costs

- Project expenditures may also include:
- Program Costs: Staffing and other general and administrative costs to manage and execute
 the Hond Program.
- Escalation Reserve: Reserve for unforeseen inflation costs.

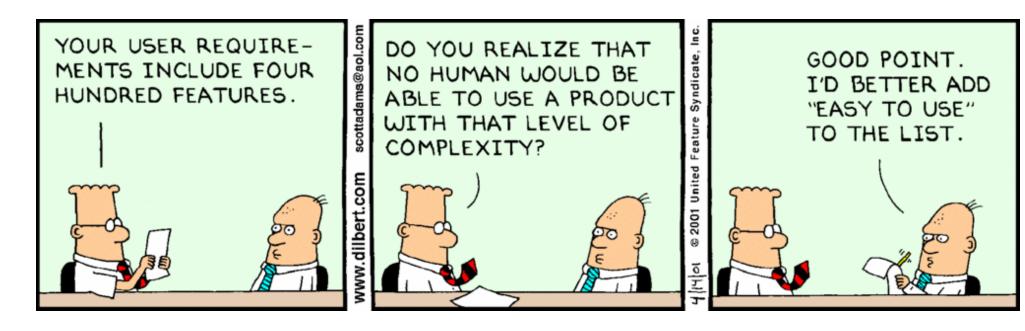
 Program Reserve: Reserve for unanticipated scope costs or for unanticipated opportunities to enhance Project scope or schedules. Further, each Project is assumed to include its share of costs of the election and Bond can architectural, environment, and similar planuine costs, construction occurrence to Bond runner, each Project is assumed to metade its share of costs of the election and Hond cae, architectural, engineering, and similar planning costs, construction management, Hond

Common Challenges for BOCs

- Fulfilling the five required membership categories
- Term limits often create vacancies and loss of expertise
- Lack of participation
 - Schedule needs to fit the work and fit the members
 - The work should be feasible and impactful

√ Measures U and V Bond Oversight efforts were an example of quality oversight and constructive criticism

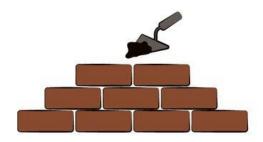
Let's Retain What's Been Successful...



✓ . . . while simplifying, streamlining and modernizing!

Building on a Strong Foundation

- Let's first review the statute because that will guide us with the minimum requirements
 - ► Then, let's build on our past experience and organize our current oversight approach so future efforts will be more feasible and at least as impactful.



"Strict Accountability . . .

- ...in Local School Construction Bonds Act of 2000"
- ◆ Today's Law
 - Five methods of accountability
 - Citizens' Oversight Committee
 - Performance Auditing
 - Financial Auditing
 - Court Restraint and Prevention of Any Expenditure of Funds
 - Law Enforcement Pursuit in the Event of Allegation or Misuse of Bond Funds



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Citizens' Oversight Committee Purpose

◆ "The purpose of the citizens' oversight committee shall be to inform the public concerning the expenditure of bond revenues. The citizens' oversight committee shall actively review and report on the proper expenditure of taxpayers' money for school construction."

✓ Education Code 15278 (b)



Citizens' Oversight Committee Purpose

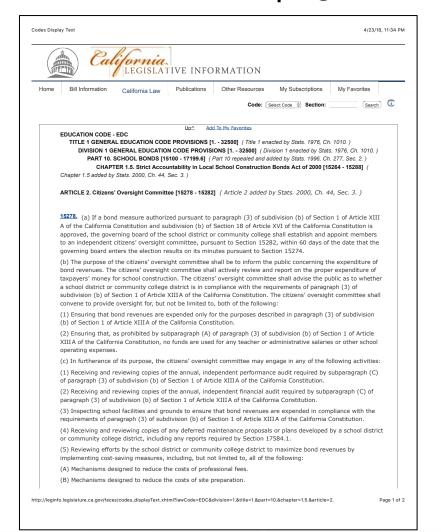
◆ "The purpose of the citizens' oversight committee shall be to inform the public concerning the expenditure of bond revenues. The citizens' oversight committee shall actively review and report on the proper expenditure of taxpayers' money for school construction."

✓ Education Code 15278 (b)



Let's Take a Few Minutes...

...to read the two page law:



4/23/18, 11:34 PM (C) Recommendations regarding the joint use of core facilities (D) Mechanisms designed to reduce costs by incorporating efficiencies in schoolsite design. (E) Recommendations regarding the use of cost-effective and efficient reusable facility plans. (Added by Stats. 2000, Ch. 44, Sec. 3. Effective January 1, 2001.) 15280. (a) (1) The governing board of the district shall, without expending bond funds, provide the citizens' oversight committee with any necessary technical assistance and shall provide administrative assistance in furtherance of its purpose and sufficient resources to publicize the conclusions of the citizens' oversight (2) The governing board of the district shall provide the citizens' oversight committee with responses to any and all findings, recommendations, and concerns addressed in the annual, independent financial and performance audits required by subparagraphs (C) and (D) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution within three months of receiving the audits. (b) All citizens' oversight committee proceedings shall be open to the public and notice to the public shall be provided in the same manner as the proceedings of the governing board of the district. The citizens' oversight committee shall issue regular reports on the results of its activities. A report shall be issued at least once a year. Minutes of the proceedings of the citizens' oversight committee and all documents received and reports issued shall be a matter of public record and be made available on an Internet Web site maintained by the governing (Amended by Stats. 2013, Ch. 91, Sec. 1. (SB 581) Effective January 1, 2014.) 15282. (a) The citizens' oversight committee shall consist of at least seven members who shall serve for a minimum term of two years without compensation and for no more than three consecutive terms. While consisting of a minimum of at least seven members, the citizens' oversight committee shall be comprised, as follows: (1) One member shall be active in a business organization representing the business community located within the school district or community college district. (2) One member shall be active in a senior citizens' organization. (3) One member shall be active in a bona fide taxpavers' organization. (4) For a school district, one member shall be the parent or guardian of a child enrolled in the school district. For a community college district, one member shall be a student who is both currently enrolled in the community college district and active in a community college group, such as student government. The community college student member may, at the discretion of the governing board of the community college district, serve up to six months after his or her graduation. (5) For a school district, one member shall be both a parent or guardian of a child enrolled in the school district and active in a parent-teacher organization, such as the Parent Teacher Association or schoolsite council. For a community college district, one member shall be active in the support and organization of a community college or the community colleges of the district, such as a member of an advisory council or foundation (b) An employee or official of the school district or community college district shall not be appointed to the citizens' oversight committee. A vendor, contractor, or consultant of the school district or community college district shall not be appointed to the citizens' oversight committee. Members of the citizens' oversight committee shall, pursuant to Sections 35233 and 72533, abide by the prohibitions contained in Article 4 (commencing with Section 1090) and Article 4.7 (commencing with Section 1125) of Chapter 1 of Division 4 of Title 1 of the Government Code. (Amended by Stats. 2013, Ch. 76, Sec. 27. (AB 383) Effective January 1, 2014.) Page 2 of 2

Financial and Performance Audits

- "(C) A requirement that the school district board, community college board, or county office of education conduct an annual, independent performance audit to ensure that the funds have been expended only on the specific projects listed.
- (D) A requirement that the school district board, community college board, or county office of education conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended for the school facilities projects."
- ✓ Article XIII A [Tax Limitation] Section 1 of the California Constitution
- "The governing board of the district shall provide the citizens' oversight committee with responses to any and all findings, recommendations, and concerns addressed in the annual, independent financial and performance audits required by subparagraphs (C) and (D) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution within three months of receiving the audits."
- ✓ Education Code 15280 (a)(2)

...by March 31

◆ "Consistent with the provisions contained in subparagraphs (C) and
(D) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of
the California Constitution, the required annual, independent financial
and performance audits for the preceding fiscal year shall be
submitted to the citizens' oversight committee established pursuant
to Section 15278 at the same time they are submitted to the school
district or community college district, no later than March 31 of each
year. These audits shall be conducted in accordance with the
Government Auditing Standards issued by the Comptroller General of
the United States for financial and performance audits."

✓ Education Code 15286

Mission: Review

- What to review?
 - Bond expenditures
 - ► Performance audit
 - ► Financial audit



- ▶ Ballot question
- Bond project list



- Tips for reviewing:
 - What does each document tell you?
 - ► How are the documents prepared?
 - Audits are annual and to be provided by March 31 following the Fiscal Year
 - Responses to audit findings must be provided within 3 months



Mission: Report

- What to report?
 - Conclusions based on review of:
 - Bond expenditures
 - Performance audit
 - Financial audit
 - Advise public on compliance with proper expenditures
- Tips for reporting:
 - Report to the community annually
 - Post on the Citizens' Bond Oversight Committee's web page:
 - Meeting agendas
 - Meeting minutes
 - Documents received
 - Annual report
- ✓ Education Code 15280(b): All citizens' oversight committee proceedings shall be open to the public and notice to the public shall be provided in the same manner as the proceedings of the governing board of the district.



Foundational Documents

- With a bond measure, foundational documents include:
- District-created documents:
 - Resolutions Ordering the Election for each Measure include:
 - Ballot Question
 - Full Text Ballot Proposition (also includes Project List)
 - Tax Rate Statement
- Governing Law
 - ► California Constitution Article XIII A, Section 1 (b) (3)
 - Strict Accountability in Local School Construction Bonds Act of 2000
 - Includes requirements for Citizens' Oversight Committee

An Organized Web Page . . .

- Informs the public
 - Can provide foundational documents online
 - Meeting materials
 - Meeting agendas
 - Meeting minutes
 - Information to be reviewed by the Committee
 - Committee-created documents
 - Annual Work Plan
 - Annual Report
- ◆ Is easy for District staff to maintain
- And allows Committee members to operate with their personal computing devices, rather than paper, if they like
 - Paperless Committee!

BOC Should Improve Outcomes

- Process should be oriented to meeting the letter of the law and be meaningful in terms of better results by some measure
- Process should be documented and periodically reconsidered
- Process should be developed by each Bond Oversight Committee and District staff, together
 - This will help to avoid technical violations of archaic rules

- Oversight should be made feasible and produce an improved outcome:
 - Efficient citizen oversight for routine decisions
 - Community support for difficult decisions
 - Positive relationships and community cohesiveness

Making Our Place The Best It Can Be







Annual Workplan

- Schedule meetings and tours based on work to be done
- Establish guidelines for how each Bond Oversight Committee will operate (in lieu of bylaws)
- Allows flexibility

Established by the Bond Oversight Committee, not the Board of Trustees or District Staff

Final Thoughts for Tonight?

◆ Thank you!



For Reference

Statutory Member Criteria

Proper Expenditures & Reviewing

Detailed List of Additional Potential Oversight
 Committee Activities

Review of Statutory Member Criteria

- At least 7 members, 5 of whom meet specified criteria
 - One member who is active in a business organization representing district's business community
 - One member who is active in a senior citizens' organization
 - One member who is active in a bona fide taxpayers' organization
 - One member who is a parent/guardian of child enrolled in district
 - One member who is both a parent/guardian of child enrolled in district and active in a parent-teacher organization or school site council
- ✓ Education Code 15282(a)
- ✓ Note: these are diversity categories, not representatives

Proper Expenditures

- "Proper expenditure" means that expenditures . . .
 - ▶ are for construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities
 - and conform to list of the specific school facilities projects to be funded
 - do not include any teacher or administrative salaries or other school operating expenses
- ✓ California Constitution Article XIII A, Section 1 (b) (3) and Education Code 15278 (b)
 - Note: 1978's Proposition 13 became Article XIII A of the California Constitution
- Resolution Ordering the Election for Measure which includes:
 - Ballot Question
 - Full Text Ballot Proposition (also includes Project List)

Reviewing Expenditure Information

- Format of expenditure information
 - Easy to produce?
 - Easy to review?
 - ► Past challenges?
 - ► Ideas for improvement?



Detailed List of Potential Activities

◆ Education Code 15278(c):

- (c) In furtherance of its purpose, the citizens' oversight committee may engage in any of the following activities:
- (1) Receiving and reviewing copies of the annual, independent performance audit required by subparagraph (C) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.
- (2) Receiving and reviewing copies of the annual, independent financial audit required by subparagraph (C) of paragraph (3) of subdivision (b) of Section 1 of Article XIIIA of the California Constitution.
- (3) Inspecting school facilities and grounds to ensure that bond revenues are expended in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIIIA of the California Constitution.
- (4) Receiving and reviewing copies of any deferred maintenance proposals or plans developed by a school district or community college district, including any reports required by Section 17584.1.
- (5) Reviewing efforts by the school district or community college district to maximize bond revenues by implementing cost-saving measures, including, but not limited to, all of the following:
- (A) Mechanisms designed to reduce the costs of professional fees.
- (B) Mechanisms designed to reduce the costs of site preparation.
- (C) Recommendations regarding the joint use of core facilities.
- (D) Mechanisms designed to reduce costs by incorporating efficiencies in schoolsite design.
- (E) Recommendations regarding the use of cost-effective and efficient reusable facility plans.

(Added by Stats. 2000, Ch. 44, Sec. 3. Effective January 1, 2001.)