

San Diego Community College District

Proposition S and Proposition N

**CITIZENS' OVERSIGHT COMMITTEE AMENDED
AND RESTATED BYLAWS**

Section 1. Committee Established. The San Diego Community College District (the "District") was successful at the election conducted on November 5, 2002 (the "Prop S Election"), in obtaining authorization from the District's voters to issue up to \$685,000,000 aggregate principal amount of the District's general obligation bonds, pursuant to a 55% vote. The District is also conducting an election on November 7, 2006 (the "Prop N Election"), and seeking authorization from the District's voters to issue up to \$870,000,000 aggregate principal amount of the District's general obligation bonds. The Prop S Election and the Prop N Election are hereinafter referred to collectively as the "Elections." Both Elections were conducted under California 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 a citizens' oversight committee in order to satisfy the accountability requirements of Prop 39. The Board of Trustees of the San Diego Community College District (the "Board") hereby establishes the Citizens' Oversight Committee (the "Committee"), which shall have the duties and rights set forth in Resolution No. 1,7/24/02 (the "Prop S Election Resolution"), Resolution No. 1-7/25/06 (the "Prop N Election Resolution" together with the Prop S Election Resolution, the "Election Resolution") and these Bylaws. The Committee does not have independent legal capacity from the District.

Section 2. Purposes. The purposes of the Committee are set forth in Prop 39 and the Full Text Ballot Proposition of the District's Bond Proposition S and N Elections (the "Full Text Ballot Propositions"), and these By Laws are specifically made subject to the applicable provisions of Prop 39 and the Full Text Ballot Propositions as to the duties and rights of the Committee. The Committee shall also be charged with responsibilities as set forth in the Election Resolution, which is incorporated herein in its entirety. 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 the Elections are hereinafter referred to as "bond revenues" or "bond proceeds." The Committee shall confine itself specifically to bond proceeds generated under Prop S and Prop N. Expenditure of other facility monies generated from other sources shall fall outside the scope of the Committee's review. However, to the extent that facilities are financed with a combination of Prop S and Prop N monies and other non-bond funds, such projects and expenditures shall be subject to Committee oversight and 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 provide oversight, including reviewing specific reports produced by the District, to ensure that (a) bond proceeds are expended only for the purposes set forth in Prop S and Prop N; and (b) no bond proceeds are used for any teacher or administrative salaries or other college or district 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 **Duties of the Board/Chancellor.** While the Board or the Chancellor, as the Board shall determine, shall have the following powers reserved to it, and the Committee shall have the right to provide input to both the Board and Chancellor on the following activities:

- (i) Approval of contracts,
- (ii) Approval of construction change orders,

- (iii) Expenditure of funds,
- (iv) Approval of project plans and schedules,
- (v) Approval of all deferred maintenance plans, and
- (vi) Approval of the sale of bonds.

3.5 Voter-Approved Projects Only. (i) Subject to paragraph (ii) below, in recognition of the fact that the Committee is charged with overseeing only the expenditure of bond proceeds, the Board has not charged the Committee with responsibility for:

(a) Projects exclusively 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.

(b) The establishment of priorities and order of construction for the bond projects shall be made 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 shall be made by the Board, the Chancellor, or Vice Chancellor, Facilities Management, based on District criteria established by the Board in its sole discretion.

(d) The approval of the design for each project including exterior materials, paint color, interior finishes, site plan and construction methods (modular vs. permanent) shall be made by the Board in its sole discretion. Staff shall report to the Committee on any cost saving techniques considered or adopted by the Board.

(e) The selection of independent audit firm(s), performance audit consultants and any consultants necessary to support the activities of the Committee.

(f) The approval of an annual budget for the Committee that is sufficient to carry out the activities set forth in Prop 39 and included herein.

(g) The amendment or modification of the Bylaws for the Committee as provided herein, subject to the legal requirements of Proposition 39.

(h) The Appointment or reappointment of qualified applicants to serve on the Committee, subject to legal limitations, and based on criteria adopted by the Board pursuant to Prop 39 and the Full Text Ballot Propositions.

(ii) With respect to the activities described in paragraphs (b), (c), (d), (e) and (f) above, the Committee shall have the right to provide advice and input to the Board and Chancellor.

Section 4. Authorized Activities.

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

(a) Receive and review copies of the District's annual independent performance audit and annual independent financial audit, required by Article XIII A of the California Constitution.

(b) Inspect college facilities and grounds to ensure that bond revenues have been or will be expended, in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution, in accordance with any access procedure established by the District's Vice Chancellor, Facilities Management.

(c) Review copies of deferred maintenance proposal or plans developed by

the District. The Committee shall oversee the approved short-term plan to eliminate deferred maintenance and an approved major maintenance plan to ensure that both new and renovated facilities do not become maintenance deferred once the backlog has been eliminated.

(d) Review efforts by the District to maximize bond proceeds by implementing various cost-saving measures.

(e) Review joint use implementation reports for new facilities or facilities expansion construction that likely would be appropriate for joint use prior to the obligation of funds.

(f) Review final designs of buildings and facilities.

(g) Review the prioritizing of projects in the event factors beyond the District's control impact the District's needs and resources.

(h) Comment on proposed Prop S and Prop N projects and offer advice to the District on aspects of such projects.

Section 5. Membership.

5.1 Number.

The Committee shall consist of a minimum nine (9) members appointed by the Board of Trustees from a list of candidates submitting written applications, and based primarily on criteria established by Prop 39, to wit:

- One (1) member enrolled as a student in the District and active in a community college support group, such as student government.
- 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.
- Three (3) members active in bona fide taxpayer organizations.
- One (1) member active in a support organization for a college or for the District, such as a foundation or advisory council.
- Two (2) members of the community at-large appointed by the Board.

In addition, a majority of the members of the Committee shall possess expertise in one or more of the following areas:

- (i) large scale construction operations;
- (ii) municipal/public finance matters;
- (iii) multiple years expertise with agency/entity budgeting (which may include public agency or public entity budgeting); and
- (iv) project management.

5.2 Qualification Standards.

(a) To be qualified, a person must be at least 18 years of age and, whenever possible, reside within the boundaries of the District.

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

5.3 Ethics: Conflicts of Interest. By accepting appointment to the Committee, each member agrees to comply with the Committee Ethics Policy attached as "Attachment A" to these Amended and Restated Bylaws.

5.4 Term. Except as otherwise provided herein, each member shall serve a term of two (2) years, beginning July 1. No member may serve more than two (2) consecutive terms. At the Committee's first meeting, members will draw lots to 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.

5.5 Appointment. Members of the Committee shall be appointed by the Board through the following process: (a) appropriate local groups will be solicited for applications; (b) the Chancellor or her/his designee will review the applications; (c) the Chancellor or her/his designee will submit the qualifications of each applicant to the Board and make appointment recommendations to the Board, and (d) the Board shall appoint members following public disclosure of each applicant's qualifications and soliciting public comment on all of the nominees.

5.6 Removal: Vacancy. The Board may remove any Committee member for cause, 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 set forth in Section 5.5 above shall fill any vacancies on the Committee. Vacancies shall be filled within 90 days from the initial date of each such vacancy.

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

5.8 Authority of Members. Committee members shall not have the authority to direct staff of the District. Individual members of the Committee retain the right to address the Board, either on behalf of the Committee or as an individual.

Section 6. Meetings of the Committee.

6.1 Regular Meetings. The Committee is required to meet at least quarterly including an annual organizational meeting to be held in July, but may meet more often as the Committee shall determine, but no more frequently than monthly.

6.2 Location. All meetings shall be held within the San Diego Community College District.

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 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 as follows:

(a) Preparation of and posting of public notices as required by the *Ralph M. Brown Act* ensuring that all notices to the public are provided in the same manner as notices regarding meetings of the District Board;

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

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

(d) Retention of all Committee records, and providing public access to such 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 as appropriate in order to

report on the status of projects and the expenditure of bond proceeds

7.3 No bond proceeds shall be used to provide District support to the Committee.

Section 8. Reports. In addition to the Annual Report required in Section 3.2, the Committee may report to the Board at least semi-annually 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 Chancellor 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, which positions shall continue for two (2) year terms. No person shall serve as chair for more than two consecutive terms.

Section 10. Amendment of Bylaws. Any amendment to these Bylaws shall be approved by a two-thirds vote of the entire Board.

Section 11. Termination. The Committee shall automatically terminate and disband 180 days following the date when all Prop S and Prop N bond proceeds have been spent.

CITIZENS' OVERSIGHT COMMITTEE ETHICS
POLICY STATEMENT

This 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.

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 financial interest, or benefit an immediate family member, such as a spouse, child or parent.

- **OUTSIDE EMPLOYMENT.** A Committee member shall not use his or her position as a Committee member to negotiate future employment with any person or organization that relates to: (1) any contract funded by bond proceeds, or (2) any District 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. Additionally, 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: (1) bidding on projects funded by the bond proceeds; and (2) contracting with the District with respect to any construction project 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 San Diego Community College District;

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