



# San Diego Community College District

## California Proposition 39

### Citizens' Bond Oversight Committee Requirements

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act. The measure required a 55% voter approval and specified accountability requirements for school construction bond measures, including requirements for certain types of audits.

Proposition 39 requires school districts that pass Proposition 39 bonds to seat a Citizens' Bond Oversight Committee (CBOC) to assure the community that bond funds are expended as outlined in the district's bond resolution. The CBOC must meet at least once a year and inform the public about the expenditure of bond revenues. The CBOC shall actively review and report on the proper expenditure of taxpayers' money for school construction.

The California Legislature passed, and Governor Davis signed Assembly Bill 1908, which provided additional requirements relative to school district general obligation bond elections. Those requirements included provisions for school districts conducting Proposition 39 elections to have a CBOC as required by Education Code Sections 15278, 15280, and 15282. Key excerpts are included below.

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#### **15278.**

**(A)** If a bond measure authorized under paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution and subdivision (b) of Section 18 of Article XVI of the California Constitution is approved, the governing board of the school district or community college shall establish and appoint members to an independent citizens' bond oversight committee, under Section 15282, within 60 days of the date that the governing board enters the election results on its minutes pursuant to Section 15274.

**(B)** The purpose of the citizens' bond oversight committee shall be to inform the public concerning the expenditure of bond revenues. The citizens' bond oversight committee shall actively review and report on the proper expenditure of taxpayers' money for school construction. The citizens' bond oversight committee shall advise the public as to whether a school district or community college district complies with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The citizens' bond oversight committee shall convene to provide oversight for, but not be limited to, both of the following:

- 1) Ensuring that bond revenues are expended only for the purposes described in paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.
- 2) Ensuring that, as prohibited by subparagraph (A) of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, no funds are used for any teacher or administrative salaries or other school operating expenses.

**(C)** In furtherance of its purpose, the citizens' bond 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 XIII A 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 XIII A 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 school site design.
  - e) Recommendations regarding the use of cost-effective and efficient reusable facility plans.

**15280.**

The governing board of the district shall, without expending bond funds, provide the citizens' bond 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' bond oversight committee.

All 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. The citizens' bond 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' bond oversight committee and all documents received, and reports issued shall be a matter of public record and be made available on an Internet website maintained by the governing board.

**15282.**

**(A)** The citizens' bond oversight committee shall consist of at least seven members to serve for a term of two years without compensation and for no more than two consecutive terms. While consisting of a minimum of at least seven members, the citizens' bond oversight committee shall be comprised as follows:

- 1) One member shall be active in a business organization representing the business community located within the district.
- 2) One member shall be active in a senior citizens' organization.
- 3) One member shall be active in a bona fide taxpayers' organization.

- 4) For a school district, one member shall be the parent or guardian of a child enrolled in the district. For a community college district, one member shall be a student who is both currently enrolled in the district and active in a community college group, such as student government. The community college student member may, at the board's discretion, serve up to six months after graduation.
- 5) For a school district, one 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. 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)** No employee or official of the district shall be appointed to the citizens' bond oversight committee. No vendor, contractor, or consultant of the district shall be appointed to the citizens' bond oversight committee. Members of the citizens' bond 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 Division 4 of Title 1 of the Government Code.