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# **Sacramento Unified School District Citizens' Bond Oversight Committee**

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***Presented by:***

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# What is a General Obligation Bond?

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- A constitutionally authorized debt or obligation;
- voter approved;
- secured by a pledge of property taxes;
- subject to accountability provisions and constraints on borrowing in Education Code.

# Sacramento City Unified's Bond Measures

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- **Measure Q (November, 2012)**
  - **\$346,000,000 G.O. Bonds**
- **Measure R (November, 2012)**
  - **\$68,000,000 G.O. Bonds**
- **Measure H (March, 2020)**
  - **\$750,000,000 G.O. Bonds**

# Proposition 39 Bonds

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- “Prop 39” amended the State Constitution to allow school district general obligation bonds to be authorized by a 55% vote (lowered from 2/3), but only if, *inter alia*,
  - Bond projects are limited to only the specific projects contained in the bond measure’s “Project List”
- Education Code creates Citizens’ Oversight Committee (COC) to review bond projects and expenditures in accordance with the Project List

# Permissible Uses of Bond Proceeds

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- 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 project list adopted by Board as part of the measure

# Citizens' Oversight Committee (Ed. Code Sections 15278-82)

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- Minimum 7 Members, WITH ONE EACH:
  - Active member of Senior Citizen Org.
  - Taxpayer Association Representative
  - Local Business Representative
  - PTA Member
  - Parent of Student
- Member terms must be a minimum of 2 years
- COC members may only serve a maximum of three consecutive terms

# Membership Conflicts of Interest

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- COC may not include as Members:
  - Employees/Officials of the District
  - Vendors of the District
  - Contractors/Consultants of the District
  
- Members' immediate family should also be independent

# Purposes of the COC

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- To inform the public concerning the expenditure of bond revenues.
- Review and report on expenditure of taxpayers' money for school construction.
  - Issue regular reports - at least once a year





# Purposes of the COC (continued)

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- Powers not granted to the COC:
  - Determining how bond funds may be spent
  - Acting in advisory capacity to the District Board

# Board Do's and COC Don'ts

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## What can the Governing Board do?

- Appoint COC and establish guidelines
- Approve project list
- Ensure expenditures are for listed projects
- Provide technical and administrative assistance to the COC

## What can't the COC do?

- Contract for work
- Participate in the bond sale or issuance of the bonds
- Make project-related decisions
- Inspect job sites without prior District permission

# COC Activities

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- Review annual, independent financial and performance 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.

# COC Activities (continued)

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- Review District efforts to maximize bond revenues through implementation of cost-saving measures:
  - Professional fees
  - Site preparation
  - Joint use of facilities
  - School site design efficiencies
  - Reusable facility plans



# Technical Assistance to COC

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- District's Board to provide technical and administrative assistance to COC, such as:
  - Website information posting.
  - Brown Act agendas and minutes.
  - Financial and progress reports.
  - Submit independent financial and performance audits at same time as to District, no later than March 31st.
  - Respond to findings, recommendations and concerns addressed in audits within 3 months.

# The Brown Act

Government Code Section 54950 et seq.

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Aka: The Sunshine Law  
or  
The Open Meetings Law

**REQUIRES THE PEOPLES'  
BUSINESS TO BE CONDUCTED  
IN THE OPEN**



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# Basic Requirements

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- Posting of 72-Hour Notice
  - No meetings without notice
- Agendas
  - Limit on closed sessions
- Quorum present
- Public Access
- Right of Citizens to Speak



# Questions?

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Thank you!



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