

PERRIS UNION HIGH SCHOOL DISTRICT

RESOLUTION NO. 18:18-19

RESOLUTION OF THE BOARD OF TRUSTEES OF THE PERRIS UNION HIGH SCHOOL DISTRICT AMENDING THE POLICY AND REGULATIONS RELATIVE TO CITIZENS' BOND OVERSIGHT COMMITTEES FOR GENERAL OBLIGATION BONDS APPROVED PURSUANT TO PROPOSITION 39, ESTABLISHING A NEW INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE, APPROVING BYLAWS THEREFOR, AND DISBANDING THE PRIOR CITIZEN'S BOND OVERSIGHT COMMITTEE

WHEREAS, the Perris Union High School District ("District") is a public school district organized and operated relative to the laws of the State of California ("State"); and

WHEREAS, the voters within the State approved "The Smaller Classes, Safer Schools and Financial Accountability Act" (the "Act") on November 7, 2000, authorizing school district general obligation bond elections upon certain terms and conditions; and

WHEREAS, Assembly Bill 1908 adopted Article 2 of Chapter 1.5 of Part 10 of Division 1 of Title 1 of the California Education Code ("Law") (which became effective following the passage of Proposition 39) requires, subject to certain terms and conditions, the formation and appointment of a Citizens' Oversight Committee for certain purposes relative to general obligation bonds approved pursuant to the provisions and requirements of the Act; and

WHEREAS, the Board of Trustees ("Board") of the District previously adopted its Resolution No. 17:04-05 on November 17, 2004, adopting the Perris Union High School District Perris Union High School District Policies and Regulations relative to Citizens Oversight Committees, as amended pursuant to its Resolution No. 21:12-13 (the "Policy"), with respect to District general obligation bond measures called pursuant to the Act and related State law; and

WHEREAS, the Board has determined that it is appropriate to update and amend the Policy at this time; and

WHEREAS, the District's established its Citizen's Oversight Committee (Measure T) (the "Prior Oversight Committee") in connection with a ballot measure approved by voters of the District on November 6, 2012 ("Measure T"), for the purpose of authorizing general obligation bonds of the District in an amount of \$153,420,000; and

WHEREAS, the Board previously adopted a resolution requesting Riverside County (the "County") to call an election for general obligation bonds to be held on November 6, 2018 (the "2018 Election"); and

WHEREAS, notice of the 2018 Election was duly given; and on November 6, 2018 the 2018 Election was duly held and conducted for the purpose of voting a measure for the issuance of bonds of the District in the amount of \$148,000,000 ("Measure W"); and

WHEREAS, based on the Canvass and Statement of Results for the County, more than fifty-five percent of the votes cast on the Measure W were in favor of issuing the aforementioned bonds; and

WHEREAS, the Board of the District wishes hereby to establish an independent citizens' bond oversight committee to carry out the appropriate oversight regarding bonds issued both under Measure W and Measure T, to approve Bylaws governing such committee, and to disband the Prior Oversight Committee.

NOW, THEREFORE, THE BOARD OF TRUSTEES OF THE PERRIS UNION HIGH SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Amended Policy. The amended Perris Union High School District Citizens' Oversight Committee Policy and Regulations (the "Amended Policy and Regulations") in the form attached hereto as Exhibit A are hereby adopted by this Board on behalf of the District and shall be effective immediately. The existing Policy is superseded by the Amended Policy and Regulations effective upon the adoption of this Resolution. The Amended Policy and Regulations shall govern as to all existing and future Citizens Oversight Committees of the District until otherwise directed by this Board. The Board hereby reserves the right to further amend the Amended Policy and Regulations at any time, or from time-to-time, as it determines necessary.

Section 2. Establishment of Committee. An independent citizens' bond oversight committee (the "Combined Oversight Committee") is hereby established for the purposes set forth in the Act.

Section 3. Bylaws. The Combined Oversight Committee shall operate pursuant to approved Bylaws in the form attached hereto as Exhibit B, which Bylaws are hereby approved. The Committee shall have only those responsibilities granted to them in the Act and in the Bylaws.

Section 4. Prior Oversight Committee Disbanded. Pursuant to the Bylaws, the Combined Oversight Committee will review expenditures related to Measure T, as well as Measure W. Accordingly, the Prior Oversight Committee is hereby disbanded. The Combined Oversight Committee is hereby directed to incorporate in its proceedings and reports all findings and determinations made by the Prior Oversight Committee since the date of its last annual report.

Section 5. Other Actions. Officers of the Board and members of the Committee established hereunder are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

ADOPTED, SIGNED AND APPROVED this 20th day of February, 2019 by the Board of Trustees of the Perris Union High School District.

BOARD OF TRUSTEES OF THE PERRIS UNION
HIGH SCHOOL DISTRICT

President

Attest:

Clerk of the Board of Trustees

Exhibit A

Amended Policy and Regulations

GENERAL OBLIGATION BONDS - The Perris Union High School District Citizens' Oversight Committee Policy and Regulations.

I. Adoption of Policy and Regulations - Legal Authority.

1.0 This Perris Union High School District (“District”) Citizens’ Oversight Committee Policy and Regulations (“Policy and Regulations”) is adopted and established by the Board of Trustees (“Board”) of the District pursuant to 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. This Policy and Regulations shall apply to the District and each Oversight Committee (as defined below).

II. Background.

2.0 On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act (School Facilities; 55% Local Vote; Bonds, Taxes; Accountability Requirements). The central purpose and legislative intent of Proposition 39 was to ensure that the expenditures of bond measures are in strict conformity with the law; that taxpayers directly participate in each Oversight Committee reviewing applicable bond expenditures; and that members of each Oversight Committee alert the public to any waste or improper expenditure of school construction bond money.

The provisions of Proposition 39 include various accountability requirements as further discussed herein. In association with the approval of Proposition 39, the California Legislature passed, and the Governor signed, Assembly Bill 1908 (“AB 1908”), which provides additional requirements relative to school district general obligation bond elections conducted pursuant to Proposition 39. Those requirements include provisions requiring school districts that are successful in a Proposition 39 bond election to establish, appoint and support a citizens’ oversight committee, as required by the Law. This Policy and Regulations were adopted by the District pursuant to the Law in order to provide procedures for the District’s Citizens’ Oversight Committee(s) (“Oversight Committee(s)”) and to address related matters.

III. Definitions.

3.0 Unless the context clearly requires otherwise, or a term is differently defined within this Policy and Regulations, the terms set forth in this Section III shall, for all purposes of this Policy and Regulations, have the meaning(s) herein specified:

“**AB 1908**” means Assembly Bill 1908 of the California 2000 Legislative Session, being Chapter 44 of Statutes of 2000.

“**Board**” means the Board of Trustees of the District.

“**Bond(s)**” means those general obligation bonds, or general obligation bond anticipation notes, or any combination thereof, of the Perris Union High School District (or any school facilities improvement district formed by the District) as

authorized by the approval of a bond measure at an Election by the voters within the District (or the applicable school facilities improvement district) and issued pursuant to State law.

“**Brown Act**” means the Ralph M. Brown Act, being California Government Code Sections 54950 *et seq.*

“**Bylaws**” means the Bylaws of each Oversight Committee, as approved by the Board and as may be amended from time to time by the Board.

“**Oversight Committee(s)**” means each Perris Union High School District Citizens’ Oversight Committee formed and appointed by the Board pursuant to the requirements of the Law and this Policy and Regulations.

“**District**” means the Perris Union High School District.

“**Election**” means each general obligation bond election conducted within the boundaries of the District (or any school facilities improvement district formed by the District) pursuant to the provisions of Proposition 39 and applicable State law.

“**Law**” means Article 2 of Chapter 1.5 of Part 5 of Division 1 of Title 1 of the California Education Code (being Education Code Sections 15278 *et seq.*) and as such may be amended from time to time.

“**Proposition 39**” means Proposition 39, the smaller classes, safer schools and Financial Accountability Act (school facilities; 55% local vote; bonds, taxes; accountability requirements) as approved by the California electorate on November 7, 2000, and as such may be amended from time to time.

“**State**” means the State of California.

IV. Establishment of Oversight Committee.

- 4.0 The Board shall establish each Oversight Committee, and initially appoint a minimum of seven (7) members to each such Oversight Committee, not more than sixty (60) days after the Board’s certification of the corresponding Election results in accordance with the purpose, parameters, policies and regulations set forth in State law and herein. The Board, in its discretion, may increase the number of members of an Oversight Committee at any time, provided that each Oversight Committee shall always have an odd number of members (unless otherwise directed by the Board). In addition to the State requirements, the Board has a stated goal that a majority of the members of each such Oversight Committee have, to the extent practical given applicants and candidates, knowledge and experience in the fields of construction, architecture design, public financing, contract law and/or building program management. Each Oversight Committee established by the Board shall be responsible with respect to the Election or Elections set forth in the Bylaws therefor.

V. Purpose of Oversight Committee.

- 5.0 Statutory Purpose. The purpose of each Oversight Committee(s), as provided in State law, shall be to inform the public, at least annually in a written report, concerning the expenditure of the corresponding Proposition 39 Bond proceeds. In carrying out this purpose each Oversight Committee shall:
- (a) Actively review and report on the proper expenditure of the corresponding Proposition 39 Bond proceeds;
 - (b) Advise the public as to whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution, which provides that:
 - (i) Bond proceeds may be expended only for the 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 as approved by the voters and as identified in the school facilities project list prepared for each Election;
 - (ii) No Bond proceeds are used for any teacher or administrative salaries or other school operating expenses, subject to Attorney General Opinion 04-110, issued on November 9, 2004;
 - (iii) Annual independent performance audits must be performed by an independent consultant selected by the District; and
 - (iv) Annual independent financial audits must be performed by an independent consultant selected by the District..
- 5.1 Each Oversight Committee shall undertake and accomplish those matters expressly stated in, or directly provided by State law, the Bylaws for such Oversight Committee, and this Policy and Regulations as such may be amended from time to time.

VI. Oversight Committee Composition.

- 6.0 (a) Pursuant to State law, each Oversight Committee shall consist of at least seven (7) members, subject to the provisions of Sections 4.0 and 7.0(d) hereof and any vacancies which may occur.
- (b) An Oversight Committee may not include as a member any employee or official of the District or any vendor, contractor or consultant of the District.
- (c) Each Oversight Committee shall include among its members all of the following:
- (i) One (1) member who is active in a business organization representing the business community located within the District;

- (ii) One (1) member who is active in a senior citizen's organization;
 - (iii) One (1) member who is active in a bona fide taxpayer association;
 - (iv) One (1) member shall be the parent or guardian of a child enrolled in the District; and
 - (v) 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 a parent-teacher association or school site council.
 - (vi) In addition the State requirements, the Board has made a commitment to help ensure that a majority of the members of each such Committee have, to the extent possible, knowledge and experience in the fields of construction, architecture design, public financing, contract law and/or building program management.
- (d) In making the appointments of the remaining and additional Oversight Committee members the Board may, in its discretion, consider the various factors set forth in Section 7.0(c) hereof.
 - (e) The Board may remove an Oversight Committee member during his or her tenure for any reason, consistent with the Bylaws for the applicable Oversight Committee.

VII. Oversight Committee Appointments, Term and Vacancies.

7.0 Appointments.

- (a) The initial members of each Oversight Committee shall be appointed by the Board not more than sixty (60) days after the Board's certification of the corresponding Election results as required by the Law. Appointments shall be discussed and made in open session in accordance with Government Code Section 54957. In the event that the Law is amended to require a different or greater number of Oversight Committee members, the Board shall, within the time set by California law, take action to appoint appropriate Oversight Committee members as shall be required.
- (b) The Board shall appoint members to each Oversight Committee consistently with the Law and the applicable Bylaws.
- (c) In making its appointments to each Oversight Committee the Board may, in its sole discretion, consider various factors applicable to each candidate, including, but not limited to, (i) residency within the boundaries of the District, (ii) whether the candidate is a registered voter within the District, and (iii) the professional and educational background of any prospective Oversight Committee member, which may include experience in construction, property, facilities management or finance matters or other factors which tend to support or complement the purposes of each Oversight Committee.

- (e) Any appointee to an Oversight Committee shall be required to comply with the requirements and limitations of Section 6.0, 7.1, 7.2 and 8.2 hereof.

7.1 Term.

- (a) Consistent with the Law and the applicable Bylaws, each Oversight Committee member shall serve for a minimum term of two years without compensation. Members may be appointed by the Board, in its discretion, for no more than three (3) consecutive terms as provided by the Law. The Board may, in its discretion, rotate Oversight Committee member terms in order to maintain a level of experienced membership on the Committee. A member of each 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, as determined by the Board, 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. In the event that an Oversight Committee member is appointed to fill a vacancy on each Oversight Committee, the Board may appoint such member for a term as set by the Board, subject to the limitations of State law and this Policies and Regulations.
- (c) The term of office of an Oversight Committee member may end prematurely in the event that each Oversight Committee terminates pursuant to the provisions set forth in Section 11.0 hereof.

7.2 Vacancies.

- (a) Determination of Vacancy. The Board may determine that an Oversight Committee member's seat on any Oversight Committee has become vacant consistent with the applicable Bylaws. The power to make determinations as to vacancies on each Oversight Committee is expressly reserved to the Board.
- (b) In the event that any vacancy on an Oversight Committee occurs, by way of resignation or otherwise, the Board may, in its discretion, appoint a replacement Oversight Committee member for each vacancy to serve for the remainder of the unexpired term of the vacating Oversight Committee member, or to serve for an initial term consistent with the applicable Bylaws (as shall be determined by the Board at the time of making the appointment), in a manner it determines to be consistent with applicable law.
- (c) In the event a vacancy is determined, such Oversight Committee position shall remain vacant until the Board appoints a new Oversight Committee member for that position. Following the determination of the vacancy on an Oversight Committee, the Board shall follow the procedures set forth in Section 7.0 hereof to fill such vacancy within a reasonable period of time (subject to qualified candidates and applicants). The power to fill vacancies on each Oversight Committee is expressly reserved to the Board.

VIII. Service on Oversight Committee.

- 8.0 Service Without Compensation. As set forth in the Law, members of each Oversight Committee shall serve without compensation.
- 8.1 Non-Liability for District Debts. The private and personal property of Oversight Committee members shall be exempt from execution or other liability for any debts, liabilities or obligations of the District or each Oversight Committee, and no Oversight Committee members shall be personally liable or responsible for any debts, liabilities or obligations of the District or each Oversight Committee except where expressly set forth in California law.
- 8.2 Conflicts of Interest and Prohibited Actions. It is the express desire and intention of the Board that members of each 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 an Oversight Committee, may be requested to sign a certification declaring that he or she has no conflict of interest as to the issues which shall be before each Oversight Committee.
 - (b) Each member shall expressly be subject to the limitations and requirements of Article 4 of Division 4 of Title 1 of the California Government Code, being Government Code Sections 1090, *et seq.*
 - (c) Each member shall expressly be subject to the limitations and requirements of Article 4.7 of Division 4 of Title 1 of the California Government Code, being Government Code Sections 1125, *et seq.*
 - (d) 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.

IX. Oversight Committee Activities and Meetings.

- 9.0 Activities of each Oversight Committee. In furtherance of its specifically enumerated purposes, each Oversight Committee may engage in any of the following activities relating solely and exclusively to the expenditure of the corresponding Proposition 39 Bond proceeds as set forth in Section IX of these Policy and Regulations:
- (a) Receive and review copies of the annual performance audit(s) conducted by an independent consultant selected by the District to ensure that corresponding Proposition 39 bond funds have been expended on the specific projects identified in the District's School Facilities Project list provided for such Election;

- (b) Receive and review copies of the annual financial audit(s) conducted by an independent consultant selected by the District as required under Proposition 39 and the Law;
- (c) Inspect school facilities and grounds, during normal District business hours (or as otherwise arranged in advance with the District), and subject to State laws concerning campus security, to ensure that corresponding Proposition 39 Bond proceeds are expended for the purposes set forth in the District's School Facilities Project list provided for such Election;
- (d) Receive and review copies of any deferred maintenance proposal(s), reports and/or plans developed by the District;
- (e) Review efforts by the District to maximize Proposition 39 Bond revenues by implementing cost-saving measures, 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; and
 - (v) Recommendations regarding the use of cost-effective and efficient reusable plans.
- (f) Each Oversight Committee shall issue written regular reports of the results of its activities. Each Oversight Committee must issue at least one (1) written report each year or fiscal year, as may be applicable.

9.1 Brown Act Compliance; Public Records.

- (a) Regular meeting dates, time, and place shall be established by each Oversight Committee and published/posted in accordance with the Brown Act and applicable District posting procedures. All Oversight Committee proceedings shall be open to the public (except as authorized by State law) and shall be subject to the provisions of the Brown Act. Each Oversight Committee may adopt rules and regulation guidelines or similar procedures as may be necessary or desirable in order to comply with the requirements of the Brown Act.
- (b) All documents received by an Oversight Committee, Oversight Committee minutes and reports issued by each Oversight Committee shall be a matter of public record and shall initially be available on a website maintained by the District for such purpose.

9.2 Rules of Procedure and Decorum. Each Oversight Committee may establish rules for the conduct of such 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 and may not conflict with State law.

- 9.3 Attendance at Board Meetings. Members of an Oversight Committee may be requested to attend the meeting(s) of the Board where the annual financial audit and performance audit, prepared pursuant to the provisions of Proposition 39, are presented to the Board.
- 9.4 Limitations on Activities. The Board hereby sets forth the following limitations on the actions and activities of each Oversight Committee (although an Oversight Committee may review documents relating to such activities):
- (a) An 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 or sale;
 - (b) An Oversight Committee does not have the authority, once the Bonds are issued and sold, to determine how such Bond funds shall be expended;
 - (c) 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;
 - (d) 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;
 - (e) Each Oversight Committee, and its members, may only inspect, tour or visit District job sites and construction projects 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); and
 - (f) Oversight Committees, and their members, may not contact District consultants or contractors without the prior permission of the Superintendent.

X. Technical and Administrative Support.

- 10.0 Statutory Requirement. The Board, without any use of Bond proceeds, shall provide each Oversight Committee with:
- (a) All reasonable necessary technical assistance and reasonable administrative assistance in furtherance of such Oversight Committee's purpose; and
 - (b) Sufficient resources to publicize each Oversight Committee's conclusions, all documents received by each Oversight Committee, minutes from each Oversight Committee's meetings and reports issued by each Oversight Committee (including establishing, operating and updating each Oversight Committee Internet Website).

- (c) The Board shall have the discretion to determine what type, manner or means of technical and administrative assistance is necessary to assist each Oversight Committee in achieving its purpose.
- (d) The Board may also appoint or designate District staff to provide reasonable technical and administrative assistance to each Oversight Committee. The Board shall also consider any recommendations or suggestions made by Oversight Committee members regarding the technical and administrative support.

10.1 Administrative Support. Administrative support provided by District staff to each Oversight Committee shall include all of the following:

- (a) Preparing, mailing and posting agendas for meetings of such Oversight Committee in compliance with the Brown Act;
- (b) Preparing and submitting documents (including agenda materials) to each corresponding Oversight Committee members and to members of the public in compliance with the Brown Act;
- (c) Arranging for meeting locations and preparing meeting facilities for scheduled meetings of each Oversight Committee;
- (d) Presenting periodic reports to the Committee concerning the District's deferred maintenance proposal(s), reports and/or plans;
- (e) The taking, transcribing, providing and maintaining of minutes of each Oversight Committee meetings which minutes shall, at a minimum, include an identification of all Oversight Committee members present and absent at any meeting of each Oversight Committee and a statement of the vote on each issue of business directed, determined or set out by each Oversight Committee; and
- (f) Maintaining Oversight Committee records and responding to Public Records Act requests directed to each Oversight Committee by the public. Public Records Act requests and responses shall be handled according to the same procedures as are applicable to the District in accordance with applicable law and the current requirements of the Public Records Act (Government Code Section 6250 *et seq.*).

10.2 Technical Support. Technical support provided by District staff to Oversight Committee shall include all of the following:

- (a) Arranging tours and inspections of school facilities and grounds, during normal District business hours, as may be reasonably scheduled by such Oversight Committee as set forth in Section 9.0(c) above and subject to the limitations set forth herein.

- (b) Providing audits, and written reports as provided for in Section 9.0 above, and providing, operating, maintaining and updating each Oversight Committee Internet Website(s) as set forth in Section 10.3, hereof.
- (c) The District shall, in compliance with Sections 10.0, 10.1 and 10.2 hereof, provide sufficient administrative support and technical resources to conform with the directives and requirements set forth in the Law and within this Policy and Regulations. In covering such costs, the District shall cover such costs as are reasonably necessary or required under State law and this Policy and Regulations in furtherance of each Oversight Committee's express purpose. In the event of a question relating to whether an expense of each Oversight Committee is reasonably necessary, such determination shall lie within the purview of the Superintendent of the District, who shall have the responsibility to provide a final determination on approval of such cost(s).

10.3 Oversight Committee Internet Website(s). Education Code Section 15280(b) requires that certain documents relating to each Oversight Committee be made available on an internet website maintained by the District Board. Such documents may be included within an existing website(s) operated by the District or within a separate website established for such Oversight Committee. Information pertaining or relating to such Oversight Committee shall appear on the District's designated website address until such time the Board decides to create and establish one or more Oversight Committee Internet Website(s). The cost to operate, maintain and update the Oversight Committee Internet Website(s) shall be the responsibility of the District. The following documents and information shall generally appear on the applicable internet website maintained by the District for such purpose, which shall be updated from time to time:

- (a) Minutes of Oversight Committee meetings;
- (b) Reports issued by such Oversight Committee; and
- (c) Documents formally received by such Oversight Committee.

10.4 Presentation of Reports. Reports, including the annual reports of each Oversight Committee, and recommendations of such Oversight Committee shall be presented to the Board. Oversight Committee recommendations for specific actions shall be forwarded to the Board and such District staff members as such recommendations shall concern.

XI. Termination of Oversight Committee; Records.

- 11.0 Subject to the applicable Bylaws, the term of each Oversight Committee shall expire upon the issuance of its final annual report as required under Section 9.0(f) above.
- 11.1 All records of each Oversight Committee shall be kept by the District (pursuant to its records retention policy) for a period of at least two (2) years after the termination of the corresponding Oversight Committee as provided for herein.

XII. Delegation of Board's Authority.

12.0 The Board has delegated the Superintendent and the Deputy Superintendent, Business Services as its designees, to assist the Board in implementing the provisions, sections, terms and sub-sections of this Policy and Regulations.

XIII. Amendment of Policy and Regulations; SBE Waiver.

13.0 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.

13.1 The Board expressly reserves the right to apply for and pursue one or more statutory waiver(s) of the conditions and requirements of the Law, and, correspondingly, this Policy and Regulations (as may be applicable), from the State Board of Education (SBE) should the Board so determine, in its sole discretion.

XIV. Severability.

14.0 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.

Adopted: November 17, 2004

Amended: February 20, 2013

Amended: February 20, 2019

Exhibit B

Bylaws of Combined Citizens Oversight Committee

**PERRIS UNION HIGH SCHOOL DISTRICT
INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE BYLAWS**

Section 1. Committee Established. The Perris Union High School District (the "District") was successful at the election conducted on November 6, 2012 (the "2012 Election"), in obtaining an authorization from the District's voters to issue up to \$153,420,000 aggregate principal amount of the District's school facilities bond ("Measure T"). The District was further successful at the election conducted on November 6, 2018 (the "2018 Election" and, collectively with the 2012 Election, the "Elections"), in obtaining an authorization from the District's voters to issue up to \$148,000,000 aggregate principal amount of the District's school facilities bond ("Measure W"). Measure T and Measure W shall be hereinafter referred to collectively as the "Measures." The Measures were conducted under 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 an Independent Citizens' Bond Oversight Committee in order to satisfy the accountability requirements of Prop 39. The Board of Trustees of the District (the "Board") previously established a Citizens' Bond Oversight Committee in connection with Measure T (the "Prior Oversight Committee"). In connection with the passage of Measure W, the Board has established a new Citizen's Oversight Committee (the "Committee") in order to satisfy the requirements of Prop 39 with respect to both Measure W and Measure T, which Committee shall have the duties and rights set forth in these Bylaws and as provided in the District's Oversight Committee Policy and Regulations. The Committee does not have legal capacity independent from the District.

Section 2. Purposes. The purposes of the Committee are set forth in Prop 39, and these Bylaws are specifically made subject to the applicable provisions of Prop 39 as to the duties and rights of the Committee. 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 Measures shall be hereinafter referred to as "bond proceeds." The Committee shall confine itself specifically to bond proceeds generated under Measure T and Measure W. Regular and deferred maintenance projects and all monies generated under other sources shall fall outside the scope of the Committee's review. However, to the extent that facilities are financed with a combination of proceeds of any bonds authorized pursuant to the Measures and other non-bond funds, such projects shall be subject to Committee oversight and review.

Section 3. Duties. To carry out its stated purposes, the Committee shall perform only the duties set forth in Sections 3.1, 3.2, and 3.3 hereof, and shall refrain from those activities set forth in Sections 3.4 and 3.5.

3.1 **Inform the Public.** The Committee shall inform the public concerning the District's expenditure of bond proceeds. In fulfilling this duty, all official communications to either the Board or the public shall come from the Chair acting on behalf of the Committee. The Chair shall only release information that reflects the majority view of the Committee.

3.2 Review Expenditures. The Committee shall review expenditure reports produced by the District to ensure that (a) bond proceeds were expended only for the purposes set forth in each respective Measure and (b) no bond proceeds were used for teacher or administrative salaries or other operating expenses in compliance with Attorney General Opinion 04-110, issued on November 9, 2004.

3.3 Annual Report. The Committee shall present to the Board, in public session, no later than March 31 following each fiscal year, an annual written report for the Measures 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/Superintendent. Either the Board or the Superintendent, as the Board shall determine, shall have the following powers reserved to it, and the Committee shall have no jurisdiction over the following types of activities:

- (i) Approval of contracts,
- (ii) Approval of change orders,
- (iii) Expenditures of bond funds,
- (iv) Handling of all legal matters,
- (v) Approval of project plans and schedules,
- (vi) Approval of all deferred maintenance plans, and
- (vii) Approval of the sale of bonds.

3.5 Measure T and Measure W Projects Only. In recognition of the fact that the Committee is charged with overseeing the expenditure of bond proceeds, the Board has not charged the Committee with responsibility for:

- (a) Projects 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 shall be outside the authority of the Committee.
- (b) The establishment of priorities and order of construction for the bond projects, which 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 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) which shall be determined by the Board in its sole discretion.

(e) The selection of independent audit firm(s), performance audit consultants and such other consultants as are 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 appointment or reappointment of qualified applicants to serve on the Committee, subject to legal limitations, and based on criteria adopted in the Board's sole discretion as part of carrying out its function under Prop 39.

Section 4. Authorized Activities.

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

(a) Receive copies of the District's annual, independent performance audit and annual, independent financial audit required by Prop 39 (Article XIII A of the California Constitution) (together, the "Audits") at the same time said Audits are submitted to the District, and review the Audits.

(b) Inspect District facilities and grounds for which bond proceeds have been or will be expended, in accordance with any access procedure established by the District's Superintendent.

(c) Review copies of deferred maintenance plans developed by the District.

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

(e) Receive from the Board, within three months of the District receiving the Audits, responses to any and all findings, recommendations, and concerns addressed in the Audits, and review said responses.

Section 5. Membership.

5.1 Number.

The Committee shall consist of at least seven (7) members appointed by the Board from a list of candidates submitting written applications, and based on criteria established by Prop 39, to wit:

- One (1) member shall be the parent or guardian of a child enrolled in the District.
- 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 P.T.A. or a school site council.

- One (1) member active in a business organization representing the business community located in the District.
- One (1) member active in a senior citizens' organization.
- One (1) member active in a bona-fide taxpayers association.
- Two (2) members of the community at-large.

5.2 Qualification Standards.

(a) To be a qualified person, he or she must be at least 18 years of age.

(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.

(a) Members of the Committee are not subject to the Political Reform Act (Gov. Code §§ 81000 *et seq.*), and are not required to complete Form 700; but each member shall comply with the Committee Ethics Policy attached as "Attachment A" to these Bylaws.

(b) Pursuant to Section 35233 of the Education Code, the prohibitions contained in Article 4 (commencing with Section 1090) of Division 4 of Title 1 of the Government Code ("Article 4") and Article 4.7 (commencing with Section 1125) of Division 4 of Title 1 of the Government Code ("Article 4.7") are applicable to members of the Committee. Accordingly:

(i) Members of the Committee shall not be financially interested in any contract made by them in their official capacities or by the Committee, nor shall they be purchasers at any sale or vendors at any purchase made by them in their official capacity, all as prohibited by Article 4; and

(ii) Members of the Committee shall not engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with, or inimical to duties as a member of the Committee or with the duties, functions, or responsibilities of the Committee or the District. A member of the Committee shall not perform any work, service, or counsel for compensation where any part of his or her efforts will be subject to approval by any other officer, employee, board, or commission of the District's Board of Trustees, except as permitted under Article 4.7.

5.4 Term. Except as otherwise provided herein, each member shall serve a term of three (3) years, commencing as of the date of appointment by the Board. No member may serve more than three (3) consecutive terms. Members whose terms have expired may continue to serve on the Committee until a successor has been appointed. Terms commence on the date a member is appointed to the Committee by the Board.

5.5 Appointment. Members of the Committee shall be appointed by the Board through the following process: (a) the District will advertise in the local newspapers, on its website, and in other customary forums, as well as solicit appropriate local groups for applications; (b) the Superintendent will review the applications; and (c) the Superintendent will make recommendations to the Board.

5.6 Removal; Vacancy. The Board may remove any Committee member for any reason, including but not limited to: failure to attend two consecutive Committee meetings without reasonable excuse; failure to comply with the Committee Ethics Policy; or failure to carry out their functions as members of the Committee adequately or consistently with these Bylaws. Upon a member's removal, his or her seat shall be declared vacant. The Board, in accordance with the established appointment process shall fill any vacancies on the Committee. The Board shall seek to fill vacancies within 90 days of the date of occurrence of a vacancy.

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

5.8 Authority of Members. (a) Committee members shall not have the authority to direct staff of the District; (b) individual members of the Committee retain the right to address the Board, either on behalf of the Committee or as an individual; (c) the Committee shall not establish sub-committees for any purpose; and (d) the Committee shall have the right to request and receive copies of any public records relating to projects funded by the Measures.

Section 6. Meetings of the Committee.

6.1 Regular Meetings. The Committee shall meet at least once a year, but shall not meet more frequently than quarterly.

6.2 Location. All meetings shall be held within the boundaries of the Perris Union High School District, located in Riverside County, California.

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 of the Committee.

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 *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, translation 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 on an Internet website maintained by the District.

7.2 District staff and/or District consultants shall attend Committee proceedings in order to report on the status of projects and the expenditure of bond proceeds.

Section 8. Reports. In addition to the Annual Report required in Section 3.3, the Committee may report to the Board from time to time 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 Superintendent shall appoint the Chair. Thereafter, the Committee shall elect a Chair and a Vice-Chair who shall act as Chair only when the Chair is absent. The Chair and Vice-Chair shall serve in such capacities for a term of one year and may be re-elected by vote of a majority of the members of the Committee.

Section 10. Amendment of Bylaws. Any amendment to these Bylaws shall be approved by a majority vote of the Board. The Committee shall have no authority to amend these Bylaws.

Section 11. Termination. The Committee shall automatically terminate and disband upon the earlier of (i) action by the Board to disband the Committee, or (ii) the Committee's submission of the final Annual Report which reflects the final accounting of the expenditure of all Measure T and Measure W monies.

**CITIZENS' BOND OVERSIGHT COMMITTEE
ETHICS POLICY STATEMENT**

This Ethics Policy Statement provides general guidelines for Committee members in carrying out their responsibilities. 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 in either case will benefit the Committee member's outside employment, business, or a personal finance or benefit an immediate family member, such as a spouse, child or parent.

- **OUTSIDE EMPLOYMENT.** A Committee member shall not use his or her authority over a particular matter to negotiate future employment with any person or organization that relates to: (1) any contract funded by bond proceeds, or (2) any 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. Specifically, 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 contracting with the District with respect to: (1) bidding on projects funded by the bond proceeds; and (2) any construction project.

- **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 Perris Union High School District.

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