

APPENDIX

Note: The examples of bylaws (Appendix D), dashboard (Appendix E), PERT chart (Appendix F), and annual report (Appendix G) are provided as guidelines.

39**SCHOOL FACILITIES. 55% LOCAL VOTE. BONDS,
TAXES. ACCOUNTABILITY REQUIREMENTS.**

Text of Proposed Law

This initiative measure is submitted to the people of California in accordance with the provisions of Section 8 of Article II of the California Constitution.

This initiative measure amends provisions of the California Constitution and the Education Code; therefore, existing provisions proposed to be deleted are printed in ~~strikeout type~~ and new provisions proposed to be added are printed in *italic type* to indicate that they are new.

PROPOSED LAW

SMALLER CLASSES, SAFER SCHOOLS AND FINANCIAL ACCOUNTABILITY ACT

SECTION ONE. TITLE

This act shall be known as the Smaller Classes, Safer Schools and Financial Accountability Act.

SECTION TWO. FINDINGS AND DECLARATIONS

The people of the State of California find and declare as follows:

- a. Investing in education is crucial if we are to prepare our children for the 21st Century.
- b. We need to make sure our children have access to the learning tools of the 21st Century like computers and the Internet, but most California classrooms do not have access to these technologies.
- c. We need to build new classrooms to facilitate class size reduction, so our children can learn basic skills like reading and mathematics in an environment that ensures that California's commitment to class size reduction does not become an empty promise.
- d. We need to repair and rebuild our dilapidated schools to ensure that our children learn in a safe and secure environment.
- e. Students in public charter schools should be entitled to reasonable access to a safe and secure learning environment.
- f. We need to give local citizens and local parents the ability to build those classrooms by a 55 percent vote in local elections so each community can decide what is best for its children.
- g. We need to ensure accountability so that funds are spent prudently and only as directed by citizens of the community.

SECTION THREE. PURPOSE AND INTENT

In order to prepare our children for the 21st Century, to implement class size reduction, to ensure that our children learn in a secure and safe environment, and to ensure that school districts are accountable for prudent and responsible spending for school facilities, the people of the State of California do hereby enact the Smaller Classes, Safer Schools and Financial Accountability Act.

This measure is intended to accomplish its purposes by amending the California Constitution and the California Education Code:

- a. To provide an exception to the limitation on ad valorem property taxes and the two-thirds vote requirement to allow school districts, community college districts, and county offices of education to equip our schools for the 21st Century, to provide our children with smaller classes, and to ensure our children's safety by repairing, building, furnishing and equipping school facilities;
- b. To require school district boards, community college boards, and county offices of education to evaluate safety, class size reduction, and information technology needs in developing a list of specific projects to present to the voters;
- c. To ensure that before they vote, voters will be given a list of specific projects their bond money will be used for;
- d. To require an annual, independent financial audit of the proceeds from the sale of the school facilities bonds until all of the proceeds have been expended for the specified school facilities projects; and
- e. To ensure that the proceeds from the sale of school facilities bonds are used for specified school facilities projects only, and not for teacher and administrator salaries and other school operating expenses, by requiring an annual, independent performance audit to ensure that the funds have been expended on specific projects only.

SECTION FOUR

Section 1 of Article XIII A of the California Constitution is amended to read:

SEC. 1.

- a. The maximum amount of any ad valorem tax on real property shall not exceed One percent (1%) of the full cash value of such property. The one percent (1%) tax to be collected by the counties and apportioned according to law to the districts within the counties.
- b. The limitation provided for in subdivision (a) shall not apply to ad valorem taxes or special assessments to pay the interest and redemption charges on ~~(1) any indebtedness~~ *of the following:*
 1. *Indebtedness* approved by the voters prior to July 1, 1978. ~~or (2) any bonded~~
 2. *Bonded indebtedness* for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voters voting on the proposition.
 3. *Bonded indebtedness incurred by a school district, community college district, or county office of education 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, approved by 55 percent of the voters of the district or county, as appropriate, voting on the proposition on or after the effective date of the measure adding this paragraph. This paragraph shall apply only if the proposition approved by the voters and resulting in the bonded indebtedness includes all of the following accountability requirements:*

- A. *A requirement that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b)(3), and not for any other purpose, including teacher and administrator salaries and other school operating expenses.*
 - B. *A list of the specific school facilities projects to be funded and certification that the school district board, community college board, or county office of education has evaluated safety, class size reduction, and information technology needs in developing that list.*
 - 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.*
- c. *Notwithstanding any other provisions of law or of this Constitution, school districts, community college districts, and county offices of education may levy a 55 percent vote ad valorem tax pursuant to subdivision (b).*

SECTION FIVE

Section 18 of Article XVI of the California Constitution is amended to read:

SEC. 18.

- a. No county, city, town, township, board of education, or school district, shall incur any indebtedness or liability in any manner or for any purpose exceeding in any year the income and revenue provided for such year, without the assent of two-thirds of the ~~qualified electors thereof,~~ *voters of the public entity* voting at an election to be held for that purpose, except that with respect to any such public entity which is authorized to incur indebtedness for public school purposes, any proposition for the incurrence of indebtedness in the form of general obligation bonds for the purpose of repairing, reconstructing or replacing public school buildings determined, in the manner prescribed by law, to be structurally unsafe for school use, shall be adopted upon the approval of a majority of the ~~qualified electors~~ *voters* of the public entity voting on the proposition at such election; nor unless before or at the time of incurring such indebtedness provision shall be made for the collection of an annual tax sufficient to pay the interest on such indebtedness as it falls due, and ~~also provision to constitute~~ *provide for a sinking fund for the payment of the principal thereof, on or before maturity, which shall not exceed forty years from the time of contracting the same; provided, however, anything to the contrary herein notwithstanding, when indebtedness.*
- b. *Notwithstanding subdivision (a), on or after the effective date of the measure adding this subdivision, in the case of any school district, community college district, or county office of education, any proposition for the incurrence of indebtedness in the form of general obligation bonds 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, shall be adopted upon the approval of 55 percent of the voters of the district or county, as appropriate, voting on*

the proposition at an election. This subdivision shall apply only to a proposition for the incurrence of indebtedness in the form of general obligation bonds for the purposes specified in this subdivision if the proposition meets all of the accountability requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A.

- c. *When two or more propositions for incurring any indebtedness or liability are submitted at the same election, the votes cast for and against each proposition shall be counted separately, and when two-thirds or a majority or 55 percent of the ~~qualified electors~~ voters, as the case may be, voting on any one of ~~such~~ those propositions, vote in favor thereof, ~~such~~ the proposition shall be deemed adopted.*

SECTION SIX

Section 47614 of the Education Code is amended to read: 47614. ~~A school district in which a charter school operates shall permit a charter school to use, at no charge, facilities not currently being used by the school district for instructional or administrative purposes, or that have not been historically used for rental purposes provided the charter school shall be responsible for reasonable maintenance of those facilities.~~

- a. *The intent of the people in amending Section 47614 is that public school facilities should be shared fairly among all public school pupils, including those in charter schools.*
- b. *Each school district shall make available, to each charter school operating in the school district, facilities sufficient for the charter school to accommodate all of the charter schools' in-district students in conditions reasonably equivalent to those in which the students would be accommodated if they were attending other public schools of the district. Facilities provided shall be contiguous, furnished, and equipped, and shall remain the property of the school district. The school district shall make reasonable efforts to provide the charter school with facilities near to where the charter school wishes to locate, and shall not move the charter school unnecessarily.*
1. *The school district may charge the charter school a pro rata share (based on the ratio of space allocated by the school district to the charter school divided by the total space of the district) of those school district facilities costs which the school district pays for with unrestricted general fund revenues. The charter school shall not be otherwise charged for use of the facilities. No school district shall be required to use unrestricted general fund revenues to rent, buy, or lease facilities for charter school students.*
 2. *Each year each charter school desiring facilities from a school district in which it is operating shall provide the school district with a reasonable projection of the charter school's average daily classroom attendance by in-district students for the following year. The district shall allocate facilities to the charter school for that following year based upon this projection. If the charter school, during that following year, generates less average daily classroom attendance by in-district students than it projected, the charter school shall reimburse the district for the over-allocated space at rates to be set by the State Board of Education.*
 3. *Each school district's responsibilities under this section shall take effect three years from the effective date of the measure which added this subparagraph, or if the school district passes a school bond measure prior to that time on the first day of July next following such passage.*
 4. *Facilities requests based upon projections of fewer than 80 units of average daily classroom attendance for the year may be denied by the school district.*

5. *The term "operating," as used in this section, shall mean either currently providing public education to in-district students, or having identified at least 80 in-district students who are meaningfully interested in enrolling in the charter school for the following year.*
6. *The State Department of Education shall propose, and the State Board of Education may adopt, regulations implementing this subdivision, including but not limited to defining the terms "average daily classroom attendance," "conditions reasonably equivalent," "in-district students," "facilities costs," as well as defining the procedures and establishing timelines for the request for, reimbursement for, and provision of, facilities.*

SECTION SEVEN. CONFORMITY

The Legislature shall conform all applicable laws to this act. Until the Legislature has done so, any statutes that would be affected by this act shall be deemed to have been conformed with the 55 percent vote requirements of this act.

SECTION EIGHT. SEVERABILITY

If any of the provisions of this measure or the applicability of any provision of this measure to any person or circumstances shall be found to be unconstitutional or otherwise invalid, such finding shall not affect the remaining provisions or applications of this measure to other persons or circumstances, and to that extent the provisions of this measure are deemed to be severable.

SECTION NINE. AMENDMENT

Section 6 of this measure may be amended to further its purpose by a bill passed by a majority of the membership of both houses of the Legislature and signed by the Governor, provided that at least 14 days prior to passage in each house, copies of the bill in final form shall be made available by the clerk of each house to the public and the news media.

SECTION TEN. LIBERAL CONSTRUCTION

The provisions of this act shall be liberally construed to effectuate its purposes.

APPENDIX B - ASSEMBLY BILL 1908

BILL NUMBER: AB 1908 CHAPTERED
BILL TEXT

CHAPTER 44
FILED WITH SECRETARY OF STATE JUNE 27, 2000
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INTRODUCED BY Assembly Member Lempert
(Coauthor: Senator O'Connell)

FEBRUARY 11, 2000

An act to amend Sections 15102, 15106, 35233, and 72533 of, and to add Chapter 1.5 (commencing with Section 15264) to Part 10 of, the Education Code, relating to school bonds.

LEGISLATIVE COUNSEL'S DIGEST

AB 1908, Lempert. School bonds.

Existing law authorizes the governing board of any school district or community college to order an election and submit to the electors of the district the question of whether the bonds of the district shall be issued and sold to raise money for specified purposes. Existing law generally requires 2/3 of the votes cast on the proposition of issuing bonds to be in favor of issuing the bonds to pass the measure.

This bill would provide that, contingent upon the passage of the "Smaller Classes, Safer Schools and Financial Accountability Act" at the November 7, 2000, general election, as an alternative, the governing board of a school district or community college district, may, pursuant to a 2/3 vote of the governing board, pursue the authorization and issuance of bonds by a 55% vote of the electorate, at a primary or general election, a regularly scheduled local election, or a statewide special election, subject to certain additional requirements.

The bill would require the ballot to be printed with a statement that the governing board will appoint a citizens' oversight committee and conduct annual independent audits to assure that funds are spent only on school and classroom improvements and for no other purposes.

The bill would require that after a successful election, the board appoint an independent citizens' oversight committee, as specified. The bill would state that the purpose of the citizens' oversight committee is to inform the public concerning the expenditure of bond revenues.

The bill would authorize, as specified, an action to be maintained to restrain and prevent expenditures of bond funds under certain circumstances.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 15102 of the Education Code is amended to read:

15102. The total amount of bonds issued pursuant to this chapter and Chapter 1.5 (commencing with Section 15264) shall not exceed 1.25 percent of the taxable property of the district as shown by the last equalized assessment of the county or counties in which the district is located. For purposes of this section, the taxable property of a district for any fiscal year shall be calculated to include, but not be limited to, the assessed value of all unitary and operating nonunitary property of the district, which shall be derived by dividing the gross assessed value of the unitary and operating nonunitary property within the district for the 1987-88 fiscal year by the gross assessed value of all unitary and operating nonunitary property within the county in which the district is located for the 1987-88 fiscal year, and multiplying that result by the gross assessed value of all unitary and operating nonunitary property of the county on the last equalized assessment roll.

SEC. 2. Section 15106 of the Education Code is amended to read:

15106. Any unified school district or community college district may issue bonds that, in aggregation with bonds issued pursuant to Section 15270, may not exceed 2.5 percent of the taxable property of the district as shown by the last equalized assessment of the county or counties in which the district is located.

In computing the outstanding bonded indebtedness of any unified school district or community college district for all purposes of this section, any outstanding bonds shall be deemed to have been issued for elementary school purposes, high school purposes, and community college purposes, respectively, in the respective amounts that the proceeds of the sale of those outstanding bonds, excluding any premium and accrued interest received on that sale, were or have been allocated by the governing board of the unified school district or community college district to each of those purposes respectively.

(a) For the purposes of the State School Building Aid Law of 1952 (Chapter 6 (commencing with Section 16000) of Part 10) with respect to applications for apportionments and apportionments filed or made prior to September 15, 1961, and to the repayment thereof, Chapter 6 (commencing with Section 15700) of this part, inclusive, only, any unified school district shall be considered to have a bonding capacity in the amount permitted by law for an elementary school district and a bonding capacity in the amount permitted by law for a high school district.

(b) For purposes of this section, the taxable property of a district for any fiscal year shall be calculated to include, but not be limited to, the assessed value of all unitary and operating nonunitary property of the district, which shall be derived by dividing the gross assessed value of the unitary and operating nonunitary property within the district for the 1987-88 fiscal year by the gross assessed value of all unitary and operating nonunitary property within the county in which the district is located for the 1987-88 fiscal year, and multiplying the result by the gross assessed value of all unitary and operating nonunitary property of the county on the last equalized assessment roll. In the event of the unification of two or more school districts or community college districts subsequent to the 1987-88 fiscal year, the assessed value

of all unitary and operating nonunitary property of the unified district or community college district shall be deemed to be the total of the assessed value of the taxable property of each of the unifying districts as that assessed value would be determined under Section 15102.

SEC. 3. Chapter 1.5 (commencing with Section 15264) is added to Part 10 of the Education Code, to read:

CHAPTER 1.5. STRICT ACCOUNTABILITY IN LOCAL SCHOOL
CONSTRUCTION BONDS ACT OF 2000
Article 1. General Provisions

15264. It is the intent of the Legislature that all of the following are realized:

(a) Vigorous efforts are undertaken to ensure that the expenditure of bond measures, including those authorized pursuant to paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, are in strict conformity with the law.

(b) Taxpayers directly participate in the oversight of bond expenditures.

(c) The members of the oversight committees appointed pursuant to this chapter promptly alert the public to any waste or improper expenditure of school construction bond money.

(d) That unauthorized expenditures of school construction bond revenues are vigorously investigated, prosecuted, and that the courts act swiftly to restrain any improper expenditures.

15266. (a) As an alternative to authorizing and issuing bonds pursuant to Chapter 1 (commencing with Section 15100), the governing board of a school district or community college district may decide, pursuant to a two-thirds vote and subject to Section 15100, to pursue the authorization and issuance of bonds pursuant to 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. An election may only be ordered on the question of whether bonds of a school district or community college district shall be issued and sold pursuant to subdivision (b) of Section 18 of Article XVI of the California Constitution at a primary or general election, a regularly scheduled local election, or a statewide special election.

(b) Upon adopting a resolution to incur bonded indebtedness pursuant to subdivision (b) of Section 18 of Article XVI of the California Constitution and after the question has been submitted to the voters, if approved at the election, the bonds shall be issued pursuant to paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution and this chapter, and the governing board may not, regardless of the number of votes cast in favor of the bond, subsequently proceed exclusively under Chapter 1 (commencing with Section 15100). Where not inconsistent, the provisions of Chapter 1 (commencing with Section 15100) shall apply to this chapter.

15268. The total amount of bonds issued pursuant to this section and Section 15102 shall not exceed 1.25 percent of the taxable property of the district as shown by the last equalized assessment of the county or counties in which the district is located. The tax rate levied to meet the requirements of Section 18 of Article XVI of the California Constitution in the case of indebtedness incurred by a school district pursuant to this chapter, at a single election,

shall not exceed thirty dollars (\$30) per one hundred thousand dollars (\$100,000) of taxable property. For purposes of this section, the taxable property of a district for any fiscal year shall be calculated to include, but not be limited to, the assessed value of all unitary and operating nonunitary property of the district, which shall be derived by dividing the gross assessed value of the unitary and operating nonunitary property within the district for the 1987-88 fiscal year by the gross assessed value of all unitary and operating nonunitary property within the county in which the district is located for the 1987-88 fiscal year, and multiplying that result by the gross assessed value of all unitary and operating nonunitary property of the county on the last equalized assessment roll.

15270. (a) Notwithstanding Sections 15102 and 15268, any unified school district may issue bonds pursuant to this article that, in aggregation with bonds issued pursuant to Section 15106, may not exceed 2.5 percent of the taxable property of the district as shown by the last equalized assessment of the county or counties in which the district is located. The tax rate levied to meet the requirements of Section 18 of Article XVI of the California Constitution in the case of indebtedness incurred pursuant to this chapter at a single election, by a unified school district, shall not exceed sixty dollars (\$60) per one hundred thousand dollars (\$100,000) of taxable property.

(b) Notwithstanding Sections 15102 and 15268, any community college district may issue bonds pursuant to this article that, in aggregation with bonds issued pursuant to Section 15106, may not exceed 2.5 percent of the taxable property of the district as shown by the last equalized assessment of the county or counties in which the district is located. The tax rate levied to meet the requirements of Section 18 of Article XVI of the California Constitution in the case of indebtedness incurred pursuant to this chapter at a single election, by a community college district, shall not exceed twenty-five dollars (\$25) per one hundred thousand dollars (\$100,000) of taxable property.

(c) In computing the outstanding bonded indebtedness of any unified school district or community college district for all purposes of this section, any outstanding bonds shall be deemed to have been issued for elementary school purposes, high school purposes, and community college purposes, respectively, in the respective amounts that the proceeds of the sale of those outstanding bonds, excluding any premium and accrued interest received on that sale, were or have been allocated by the governing board of the unified school district or community college district to each of those purposes respectively.

(d) For purposes of this section, the taxable property of a district for any fiscal year shall be calculated to include, but not be limited to, the assessed value of all unitary and operating nonunitary property of the district, which shall be derived by dividing the gross assessed value of the unitary and operating nonunitary property within the district for the 1987-88 fiscal year by the gross assessed value of all unitary and operating nonunitary property within the county in which the district is located for the 1987-88 fiscal year, and multiplying the result by the gross assessed value of all unitary and operating nonunitary property of the county on the last equalized assessment roll. In the event of the unification of two or more school districts subsequent to the 1987-88 fiscal year, the assessed value of all unitary and operating

nonunitary property of the unified district shall be deemed to be the total of the assessed value of the taxable property of each of the unifying districts as that assessed value would be determined under Section 15268.

15272. In addition to the ballot requirements of Section 15122 and the ballot provisions of this code applicable to governing board member elections, for bond measures pursuant to this chapter, the ballot shall also be printed with a statement that the board will appoint a citizens' oversight committee and conduct annual independent audits to assure that funds are spent only on school and classroom improvements and for no other purposes.

15274. If it appears from the certificate of election results that 55 percent of the votes cast on the proposition of issuing bonds pursuant to subdivision (b) of Section 18 of Article XVI of the California Constitution are in favor of issuing bonds, the governing board shall cause an entry of that fact to be made upon its minutes. The governing board shall then certify to the board of supervisors of the county whose superintendent of schools has jurisdiction over the district, all proceedings had in the premises. The county superintendent of schools shall send a copy of the certificate of election results to the board of supervisors of the county.

15276. Notwithstanding any other provision of law, a county board of education may not order an election to determine whether bonds may be issued under this article to raise funds for a county office of education.

Article 2. Citizens' Oversight Committee

15278. (a) If a bond measure authorized pursuant to 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' oversight committee, pursuant to 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' 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. The citizens' oversight committee shall advise the public as to whether a school district or community college district is in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution. The citizens' 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' 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 schoolsite design.

(E) Recommendations regarding the use of cost-effective and efficient reusable facility plans.

15280. (a) 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 committee.

(b) 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' 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 website maintained by the governing board.

15282. (a) The citizens' 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' 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 discretion of the board, 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 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) No employee or official of the district shall be appointed to the citizens' oversight committee. No vendor, contractor, or consultant of the district shall 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 Division 4 of Title 1 of the Government Code.

Article 3. Bond Accountability

15284. (a) An action to obtain an order restraining and preventing any expenditure of funds received by a school district or community college district through the sale of bonds authorized by this chapter pursuant to paragraph (3) of subdivision (b) of Section 1 of Article XIIIIA of the California Constitution and subdivision (b) of Section 18 of Article XVI of the California Constitution may be maintained against any officer, agent, or other person acting on behalf of, that school district or community college district, by a citizen residing in the school or community college district who is assessed and is liable to pay an ad valorem tax on real property within the school or community college district, or who has paid an ad valorem tax on real property within the school or community college district within one year before the commencement of the action if it appears by the complaint or affidavits that any of the following conditions are present:

(1) An expenditure of funds received by a school district or community college district through the sale of bonds authorized by this chapter is for purposes other than those specified in paragraph (3) of subdivision (b) of Section 1 of Article XIIIIA of the California Constitution.

(2) The expenditure is not in compliance with paragraph (3) of subdivision (b) of Section 1 of Article XIIIIA of the California Constitution.

(3) That an expenditure in violation of paragraph (3) of subdivision (b) of Section 1 of Article XIIIIA of the California Constitution will be made or will continue to be made during the litigation that would produce waste or great or irreparable injury.

(4) The governing board of a school district or community college has willfully failed to appoint the citizens' oversight committee in violation of the requirements of Section 15278.

(b) An action brought pursuant to this section shall take special precedence over all civil matters on the calendar of the court except those matters granted equal precedence by law.

(c) The rights, remedies, or penalties established by this section are cumulative to the rights, remedies, or penalties established under other laws, including subdivision (a) of Section 526 of Chapter 3 of Title 7 of Part 2 of the Code of Civil Procedure.

(d) If an order is obtained to restrain and prevent an expenditure of funds pursuant to subdivision (a), a court may award attorneys' fees pursuant to Chapter 6 (commencing with Section 1021.5) of Title

14 of Part 2 of the Code of Civil Procedure.

(e) The action authorized by this section shall be known as a "School Bond Waste Prevention Action."

15288. It is the intent of the Legislature that upon receipt of allegations of waste or misuse of bond funds authorized in this chapter, appropriate law enforcement officials shall expeditiously pursue the investigation and prosecution of any violation of law associated with the expenditure of those funds.

SEC. 4. Section 35233 of the Education Code is amended to read:

35233. 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 are applicable to members of governing boards of school districts and to members of citizens' oversight committees appointed by those governing boards pursuant to Chapter 1.5 (commencing with Section 15264) of Part 10.

SEC. 5. Section 72533 of the Education Code is amended to read:

72533. 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 are applicable to members of governing boards of community college districts and to members of citizens' oversight committees appointed by those governing boards pursuant to Chapter 1.5 (commencing with Section 15264) of Part 10.

SEC. 6. This act shall only become operative upon the passage of the "Smaller Classes, Safer Schools and Financial Accountability Act" which is contained in a proposition at the November 7, 2000, general election.

Assembly Bill No. 2659

CHAPTER 580

An act to amend Sections 15268, 15270, and 47605 of the Education Code, relating to education.

[Approved by Governor September 22, 2000. Filed with Secretary of State September 23, 2000.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2659, Lempert. Education.

(1) Existing law, if the "Smaller Classes, Safer Schools and Financial Accountability Act" is passed at the November 7, 2000, general election, authorizes a school district or community college district to pursue the authorization and issuance of bonds by a 55% vote of the electorate and restricts the rate at which property taxes may be levied to service the debt incurred.

This bill would instead prohibit the issuance of the bonds unless the tax rate levied to meet the requirements of Section 18 of Article XVI of the California Constitution in the case of an indebtedness incurred by a school district, unified school district, or community college district at a single election would not exceed a specified amount per year per \$100,000 of taxable property when assessed valuation is projected by the district to increase in accordance with Article XIII A of the California Constitution. The bill would define, for specified purposes, a "general obligation bond."

(2) Existing law prohibits the governing board of a school district or county board of education from denying a petition for the establishment of a charter school unless it sets forth specific findings, including findings that the petition does not contain reasonably comprehensive descriptions of certain criteria. Existing law authorizes the State Board of Education to grant a petition for the establishment of a charter school when the petition has been submitted to and denied by the governing board of a school district or a county board of education.

This bill would require the State Board of Education to develop criteria to be used for review and approval of charter school petitions presented to the board. The bill would require the board to adopt the criteria on or before June 30, 2001.

The people of the State of California do enact as follows:

SECTION 1. (a) The Legislature hereby finds and declares all of the following:



(1) Paragraph (1) of subdivision (j) of Section 47605 of the Education Code allows a charter school petitioner to submit a petition for the establishment of a charter school directly to the State Board of Education if the governing board of a school district denies the petition.

(2) Under current law, the governing board of a school district or county board of education is prohibited from denying a petition for the establishment of a charter school unless it sets forth specific findings, including findings that the petition does not contain reasonably comprehensive descriptions of certain criteria. Use of the term “reasonably comprehensive” is somewhat subjective and should be defined, consistent with the intent of existing charter school law, and within the context of a rubric that will be used for the evaluation of charter school petitions under review by the State Board of Education.

(3) In order to ensure implementation of the appeal process established in law, clear criteria must be established for the review and approval of charter petitions.

(b) It is the intent of the Legislature that the State Board of Education shall review a petition for the establishment of a charter school pursuant to subdivision (b) of Section 47605 of the Education Code, which prescribes the reasons why a charter can be denied, provided it makes written factual findings, specific to the particular petition.

SEC. 2. Section 15268, as added by Chapter 44 of the Statutes of 2000 is amended to read:

15268. The total amount of bonds issued, including bonds issued pursuant to Chapter 1 (commencing with Section 15100), shall not exceed 1.25 percent of the taxable property of the district as shown by the last equalized assessment of the county or counties in which the district is located. The bonds may only be issued if the tax rate levied to meet the requirements of Section 18 of Article XVI of the California Constitution in the case of indebtedness incurred by a school district pursuant to this chapter, at a single election, would not exceed thirty dollars (\$30) per year per one hundred thousand dollars (\$100,000) of taxable property when assessed valuation is projected by the district to increase in accordance with Article XIII A of the California Constitution. For purposes of this section, the taxable property of a district for any fiscal year shall be calculated to include, but not be limited to, the assessed value of all unitary and operating nonunitary property of the district, which shall be derived by dividing the gross assessed value of the unitary and operating nonunitary property within the district for the 1987–88 fiscal year by the gross assessed value of all unitary and operating nonunitary property within the county in which the district is located for the 1987–88 fiscal year, and multiplying that result by the gross assessed



value of all unitary and operating nonunitary property of the county on the last equalized assessment roll.

SEC. 3. Section 15270, as added by Chapter 44 of the Statutes of 2000, is amended to read:

15270. (a) Notwithstanding Sections 15102 and 15268, any unified school district may issue bonds pursuant to this article that, in aggregation with bonds issued pursuant to Chapter 1 (commencing with Section 15100), may not exceed 2.5 percent of the taxable property of the district as shown by the last equalized assessment of the county or counties in which the district is located. The bonds may only be issued if the tax rate levied to meet the requirements of Section 18 of Article XVI of the California Constitution in the case of indebtedness incurred pursuant to this chapter at a single election, by a unified school district, would not exceed sixty dollars (\$60) per year per one hundred thousand dollars (\$100,000) of taxable property when assessed valuation is projected by the district to increase in accordance with Article XIII A of the California Constitution.

(b) Notwithstanding Sections 15102 and 15268, any community college district may issue bonds pursuant to this article that, in aggregation with bonds issued pursuant to Chapter 1 (commencing with Section 15100), may not exceed 2.5 percent of the taxable property of the district as shown by the last equalized assessment of the county or counties in which the district is located. The bonds may only be issued if the tax rate levied to meet the requirements of Section 18 of Article XVI of the California Constitution in the case of indebtedness incurred pursuant to this chapter at a single election, by a community college district, would not exceed twenty-five dollars (\$25) per year per one hundred thousand dollars (\$100,000) of taxable property when assessed valuation is projected by the district to increase in accordance with Article XIII A of the California Constitution.

(c) In computing the outstanding bonded indebtedness of any unified school district or community college district for all purposes of this section, any outstanding bonds shall be deemed to have been issued for elementary school purposes, high school purposes, and community college purposes, respectively, in the respective amounts that the proceeds of the sale of those outstanding bonds, excluding any premium and accrued interest received on that sale, were or have been allocated by the governing board of the unified school district or community college district to each of those purposes respectively.

(d) For purposes of this section, the taxable property of a district for any fiscal year shall be calculated to include, but not be limited to, the assessed value of all unitary and operating nonunitary property of the district, which shall be derived by dividing the gross assessed value of the unitary and operating nonunitary property



within the district for the 1987–88 fiscal year by the gross assessed value of all unitary and operating nonunitary property within the county in which the district is located for the 1987–88 fiscal year, and multiplying the result by the gross assessed value of all unitary and operating nonunitary property of the county on the last equalized assessment roll. In the event of the unification of two or more school districts subsequent to the 1987–88 fiscal year, the assessed value of all unitary and operating nonunitary property of the unified district shall be deemed to be the total of the assessed value of the taxable property of each of the unifying districts as that assessed value would be determined under Section 15268.

(e) For the purposes of this article, “general obligation bonds,” as that term is used in Section 18 of Article XVI of the California Constitution, means bonds of a school district or community college district the repayment of which is provided for by this chapter and Chapter 1 (commencing with Section 15100) of Part 10.

SEC. 4. Section 47605 of the Education Code is amended to read:

47605. (a) (1) Except as set forth in paragraph (2), a petition for the establishment of a charter school within any school district may be circulated by any one or more persons seeking to establish the charter school. The petition may be submitted to the governing board of the school district for review after either of the following conditions are met:

(A) The petition has been signed by a number of parents or guardians of pupils that is equivalent to at least one-half of the number of pupils that the charter school estimates will enroll in the school for its first year of operation.

(B) The petition has been signed by a number of teachers that is equivalent to at least one-half of the number of teachers that the charter school estimates will be employed at the school during its first year of operation.

(2) In the case of a petition for the establishment of a charter school through the conversion of an existing public school, that would not be eligible for a loan pursuant to subdivision (b) of Section 41365, the petition may be circulated by any one or more persons seeking to establish the converted charter school. The petition may be submitted to the governing board of the school district for review after the petition has been signed by not less than 50 percent of the permanent status teachers currently employed at the public school to be converted.

(3) A petition shall include a prominent statement that a signature on the petition means that the parent or guardian is meaningfully interested in having his or her child, or ward, attend the charter school, or in the case of a teacher’s signature, means that the teacher is meaningfully interested in teaching at the charter school. The proposed charter shall be attached to the petition.



(b) No later than 30 days after receiving a petition, in accordance with subdivision (a), the governing board of the school district shall hold a public hearing on the provisions of the charter, at which time the governing board of the school district shall consider the level of support for the petition by teachers employed by the district, other employees of the district, and parents. Following review of the petition and the public hearing, the governing board of the school district shall either grant or deny the charter within 60 days of receipt of the petition, provided, however, that the date may be extended by an additional 30 days if both parties agree to the extension. In reviewing petitions for the establishment of charter schools pursuant to this section, the chartering authority shall be guided by the intent of the Legislature that charter schools are and should become an integral part of the California educational system and that establishment of charter schools should be encouraged. A school district governing board shall grant a charter for the operation of a school under this part if it is satisfied that granting the charter is consistent with sound educational practice. The governing board of the school district shall not deny a petition for the establishment of a charter school unless it makes written factual findings, specific to the particular petition, setting forth specific facts to support one or more of the following findings:

(1) The charter school presents an unsound educational program for the pupils to be enrolled in the charter school.

(2) The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.

(3) The petition does not contain the number of signatures required by subdivision (a).

(4) The petition does not contain an affirmation of each of the conditions described in subdivision (d).

(5) The petition does not contain reasonably comprehensive descriptions of all of the following:

(A) A description of the educational program of the school, designed, among other things, to identify those whom the school is attempting to educate, what it means to be an “educated person” in the 21st century, and how learning best occurs. The goals identified in that program shall include the objective of enabling pupils to become self-motivated, competent, and lifelong learners.

(B) The measurable pupil outcomes identified for use by the charter school. “Pupil outcomes,” for purposes of this part, means the extent to which all pupils of the school demonstrate that they have attained the skills, knowledge, and attitudes specified as goals in the school’s educational program.

(C) The method by which pupil progress in meeting those pupil outcomes is to be measured.



(D) The governance structure of the school, including, but not limited to, the process to be followed by the school to ensure parental involvement.

(E) The qualifications to be met by individuals to be employed by the school.

(F) The procedures that the school will follow to ensure the health and safety of pupils and staff. These procedures shall include the requirement that each employee of the school furnish the school with a criminal record summary as described in Section 44237.

(G) The means by which the school will achieve a racial and ethnic balance among its pupils that is reflective of the general population residing within the territorial jurisdiction of the school district to which the charter petition is submitted.

(H) Admission requirements, if applicable.

(I) The manner in which annual, independent, financial audits shall be conducted, which shall employ generally accepted accounting principles, and the manner in which audit exceptions and deficiencies shall be resolved to the satisfaction of the chartering authority.

(J) The procedures by which pupils can be suspended or expelled.

(K) The manner by which staff members of the charter schools will be covered by the State Teachers' Retirement System, the Public Employees' Retirement System, or federal social security.

(L) The public school attendance alternatives for pupils residing within the school district who choose not to attend charter schools.

(M) A description of the rights of any employee of the school district upon leaving the employment of the school district to work in a charter school, and of any rights of return to the school district after employment at a charter school.

(N) The procedures to be followed by the charter school and the entity granting the charter to resolve disputes relating to provisions of the charter.

(O) A declaration whether or not the charter school shall be deemed the exclusive public school employer of the employees of the charter school for the purposes of the Educational Employment Relations Act (Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code).

(c) (1) Charter schools shall meet all statewide standards and conduct the pupil assessments required pursuant to Section 60605 and any other statewide standards authorized in statute or pupil assessments applicable to pupils in noncharter public schools.

(2) Charter schools shall on a regular basis consult with their parents and teachers regarding the school's educational programs.

(d) (1) In addition to any other requirement imposed under this part, a charter school shall be nonsectarian in its programs, admission policies, employment practices, and all other operations, shall not charge tuition, and shall not discriminate against any pupil on the



basis of ethnicity, national origin, gender, or disability. Except as provided in paragraph (2), admission to a charter school shall not be determined according to the place of residence of the pupil, or of his or her parent or guardian, within this state, except that any existing public school converting partially or entirely to a charter school under this part shall adopt and maintain a policy giving admission preference to pupils who reside within the former attendance area of that public school.

(2) (A) A charter school shall admit all pupils who wish to attend the school.

(B) However, if the number of pupils who wish to attend the charter school exceeds the school's capacity, attendance, except for existing pupils of the charter school, shall be determined by a public random drawing. Preference shall be extended to pupils currently attending the charter school and pupils who reside in the district. Other preferences may be permitted by the chartering authority on an individual school basis and only if consistent with the law.

(C) In the event of a drawing, the chartering authority shall make reasonable efforts to accommodate the growth of the charter school and, in no event, shall take any action to impede the charter school from expanding enrollment to meet pupil demand.

(e) No governing board of a school district shall require any employee of the school district to be employed in a charter school.

(f) No governing board of a school district shall require any pupil enrolled in the school district to attend a charter school.

(g) The governing board of a school district shall require that the petitioner or petitioners provide information regarding the proposed operation and potential effects of the school, including, but not limited to, the facilities to be utilized by the school, the manner in which administrative services of the school are to be provided, and potential civil liability effects, if any, upon the school and upon the school district. The petitioner or petitioners shall also be required to provide financial statements that include a proposed first-year operational budget, including startup costs, and cash-flow and financial projections for the first three years of operation.

(h) In reviewing petitions for the establishment of charter schools within the school district, the school district governing board shall give preference to petitions that demonstrate the capability to provide comprehensive learning experiences to pupils identified by the petitioner or petitioners as academically low achieving pursuant to the standards established by the State Department of Education under Section 54032.

(i) Upon the approval of the petition by the governing board of the school district, the petitioner or petitioners shall provide written notice of that approval, including a copy of the petition, to the State Board of Education.



(j) (1) If the governing board of a school district denies a petition, the petitioner may elect to submit the petition for the establishment of a charter school to either the county board of education or directly to the State Board of Education. The county board of education or the State Board of Education, as the case may be, shall review the petition pursuant to subdivision (b). If the petitioner elects to submit a petition for establishment of a charter school to the county board of education and the county board of education denies the petition, the petitioner may file a petition for establishment of a charter school with the State Board of Education.

(2) In assuming its role as a chartering agency, the State Board of Education shall develop criteria to be used for the review and approval of charter school petitions presented to the State Board of Education. The criteria shall address all elements required for charter approval, as identified in subdivision (b) of Section 47605 and shall define “reasonably comprehensive” as used in paragraph (5) of subdivision (b) of Section 47605 in a way that is consistent with the intent of the Charter Schools Act of 1992. Upon satisfactory completion of the criteria, the State Board of Education shall adopt the criteria on or before June 30, 2001.

(3) A charter school for which a charter is granted by either the county board of education or the State Board of Education pursuant to this subdivision shall qualify fully as a charter school for all funding and other purposes of this part.

(4) If either the county board of education or the State Board of Education fails to act on a petition within 120 days of receipt, the decision of the governing board of the school district, to deny a petition shall, thereafter, be subject to judicial review.

(5) The State Board of Education shall adopt regulations implementing this subdivision.

(6) Upon the approval of the petition by the county board of education, the petitioner or petitioners shall provide written notice of that approval, including a copy of the petition to the State Board of Education.

(k) (1) The State Board of Education may, by mutual agreement, designate its supervisory and oversight responsibilities for a charter school approved by the State Board of Education to any local education agency in the county in which the charter school is located or to the governing board of the school district that first denied the petition.

(2) The designated local education agency shall have all monitoring and supervising authority of a chartering agency, including, but not limited to, powers and duties set forth in Section 47607, except the power of revocation, which shall remain with the State Board of Education.

(3) A charter school that has been granted its charter by the State Board of Education and elects to seek renewal of its charter shall,



prior to expiration of the charter, submit its petition for renewal to the governing board of the school district that initially denied the charter. If the governing board of the school district denies the school's petition for renewal, the school may petition the State Board of Education for renewal of its charter.

(l) Teachers in charter schools shall be required to hold a Commission on Teacher Credentialing certificate, permit, or other document equivalent to that which a teacher in other public schools would be required to hold. These documents shall be maintained on file at the charter school and shall be subject to periodic inspection by the chartering authority. It is the intent of the Legislature that charter schools be given flexibility with regard to noncore, noncollege preparatory courses.



APPENDIX D - BYLAWS

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.



Grossmont Union High School District

Prop H/U Bond Information

- Home
- Prop H
- Prop U
- Construction News
- Prop H Performance
- Prop U Performance



Granite Hills High School

Principal: Georgette Torres
 1719 E. Madison Ave
 El Cajon, CA 92019
 Ph: (619) 593-5500
 FAX:(619) 588-9389

Granite Hills HS Links

There are currently no favorite links to display.

Performance Measures Legend

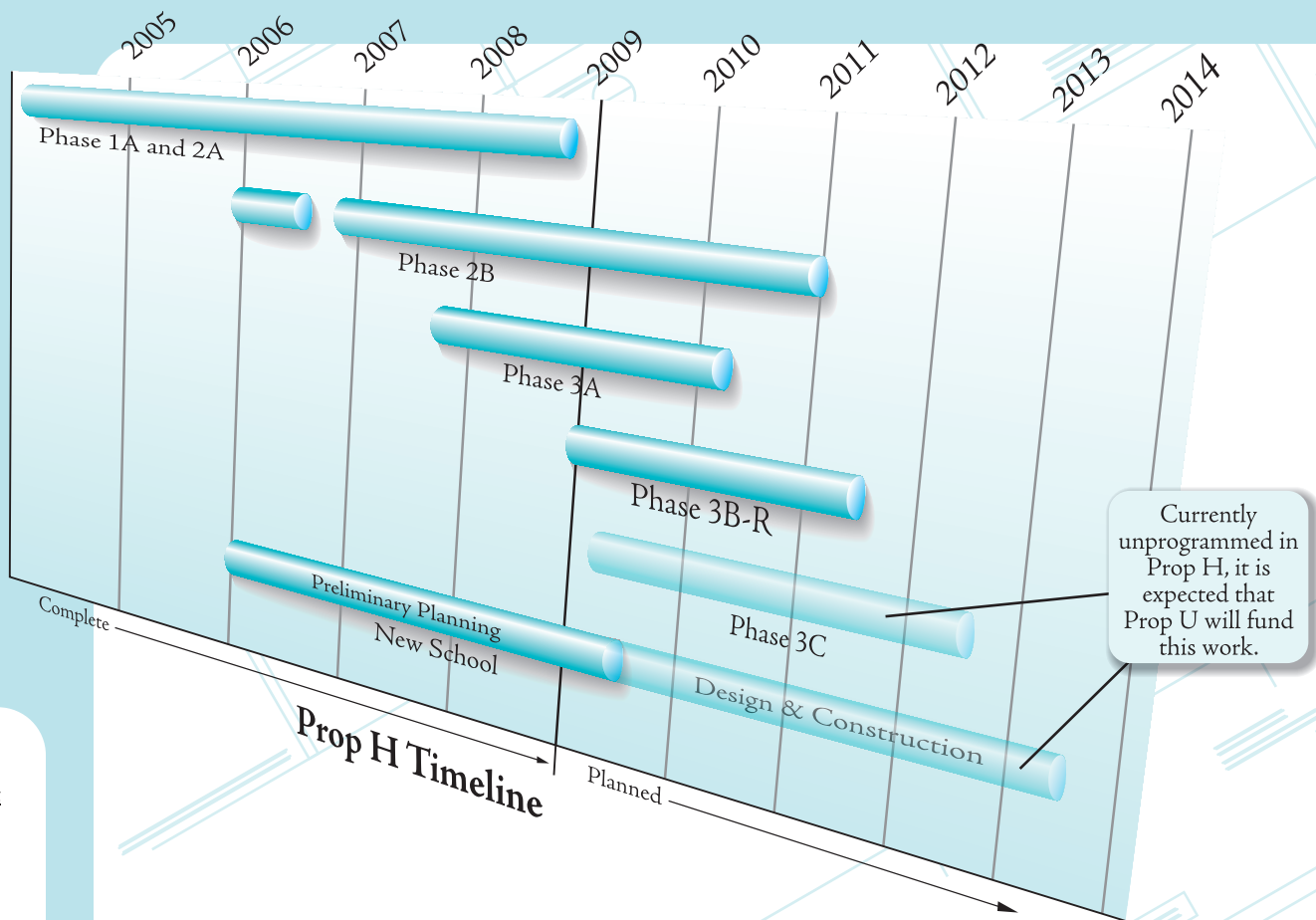
- Complete
- On Target
- Concern
- Serious Issue
- Design/Construction
- Complete
- Design

Prop H Performance Measures

Project Name	Phase Status	Budget	Schedule	Phase Type	Percent Complete
Underground Infrastructure				1/2A Infrastructure	100%
Building 10				2B Modernization	100%
Building 20				2B Modernization	100%
Building 40				2B Modernization	100%
Building 50				2B Modernization	100%
Building 70				2B Modernization	100%
Building 140				2B Modernization	100%
Building 160 Restroom Facilities				2B Modernization	100%
Building 230 Restroom Facilities				2B Modernization	100%
Gymnasium Restroom ADA Remodel				2B Modernization	100%
Science Building				3A New Building	10%

Prop U Performance Measures

Project Name	Phase Status	Budget	Schedule	Phase Type	Percent Complete
New Project				2009	25%



**CBOC
SUBCOMMITTEES**

Construction Oversight

Larry Nichols (Chair)
Ron Ashman
Phillip Marsh

Communications

Jim Panknin (Chair)
Elana Levens-Craig
—vacant—

Audit & Finance

Walter Heiser (Chair)
Marcie Findley
Carol Nash

Steering & Planning

Mendy Brant (Chair)
Fred Lear
Jim Panknin

PROP H STATUS

Prop H is an aggressive and complex capital program intended to complete major renovations and modernization to core academic facilities at nine high schools, complete significant renovations at five other campuses, and build a new school. The work was divided into a series of phases and is programmed to modernize 356 classrooms and provide 78 new classrooms.

Phase 1 & 2A – Infrastructure (work 100% complete): Upgrades to the infrastructure for water, sewer, storm drain, electrical, gas, and low voltage systems has been completed at 13 schools.

Phase 2B – Modernize Classrooms (60% complete): Work to modernize specific classroom buildings at existing schools is mostly complete with 187 of 277 classrooms completed. Ongoing work at Helix High School and Monte Vista is on schedule to complete in mid-2009. Work at Mt. Miguel and Valhalla is scheduled to be completed in late-2010.

Phase 3A – Science Classrooms (5% complete): Plans for new science classroom buildings at eight schools have been approved for construction and bidding is underway. Construction work has already started at El Cajon Valley High School and Granite Hills High School and should be underway at all eight schools in early-2009. Work is currently on schedule for early-2010 openings.

Phase 3B-R – Modernize Additional Classrooms (3% complete): As announced in previous annual reports, Prop H funds will not be sufficient to complete all work identified in the ballot measure. Planning to identify the highest priority work is complete and design will begin in early-2009. Forty-five (\$45) million dollars from a reserve set up last year will be added to the current 3B-R budget, as recommended by the CBOC to the Board. The current schedule calls for construction work to begin in late-2009 and be completed mid-2011.

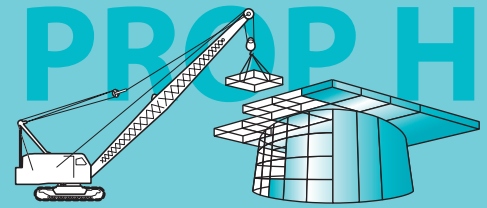
Phase 3C – Modernize Remaining Classrooms: The successful passage of Prop U will ensure the completion of modernization work that could not be completed under Prop H.

New School: The draft Environmental Impact Report (EIR) will be released for public review in January 2009. Expectations are that site selection will be made in mid-2009, along with final acceptance of the EIR. The Board has approved an additional \$20 million in Prop H or Prop U funds be used to purchase property and complete initial planning and infrastructure work. The earliest that the new school could open is mid-2013. Funding for actual school construction will come from the recently passed Prop U and state grants.

Citizens' Bond Oversight Committee

Grossmont Union High School District

Annual Report 2008



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- Letter from the Chair
- Prop H Status
- New High School
- New Science Buildings
- Maintenance Program
- The CBOC

MEMBERSHIP

Ron Ashman
Business Organization

Mendy Brant
Community Member-at-Large

Marcie Findley
Senior Citizens' Organization

Walter Heiser, Vice Chair
Taxpayer Association

Fred Lear
Community Member-at-Large

Elana Levens-Craig
Parent & PTA Member

Phillip Marsh
Community Member-at-Large

Carol Nash
Financial Executives International

Larry Nichols
Parent

Jim Panknin, Chair
Community Member-at-Large

—vacant—
American Institute of Architects

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CBOC phone number:

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CBOC fax number:

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LETTER FROM THE CHAIR

I am proud to report that 2008 has proven to be the most productive year in the life of Prop H. The outside program manager Gafcon/Harris has melded well with the in-house leadership and staff to form a cohesive professional team. Through every one of these accomplishments, the CBOC has maintained an active role by ensuring that the best interests of the taxpayers and the community were taken into account. Accomplishments include:

- An updated long-range master plan that quantifies the cost of achieving parity in school facilities across the district has been adopted by the Board
- Major improvements have been made in public access to information
- The last of Prop H bonds have been sold
- An independent performance review of internal control practices has been completed

At the end of last year, we could not determine how far Prop H funds would stretch and what work could not be completed. We now have a better understanding of this. Site committees on each campus set the priorities used to determine which projects would be accomplished with available funding. Needed work that could not be completed with Prop H funds was moved to Phase 3C, which will be addressed by Prop U.

District Superintendent Robert Collins unveiled his vision for the Grossmont Union High School District with a long-range master plan that quantifies the cost to bring every campus in the District up to the high standards set by Prop H. Parity across all schools would ensure that no student or teacher will have to work in an obsolete classroom; however, the cost to achieve full parity is over \$1 billion and exceeds available funding. The plan will focus available funding on critically needed work and on developing career technical educational programs at campuses to prepare our students to participate successfully in the modern workforce.

The last of Prop H bonds have been sold. The CBOC supports the Board's decision that the \$65 million reserve be committed to Phase 3B-R, and the purchase of land and planning for a new high school in the Alpine/Blossom Valley area, (see discussion on Page 3). By summer of 2009, the CBOC will begin the process of creating a preliminary report on the overall execution of Prop H, with an emphasis on lessons learned and best practices. It is anticipated that the heavy construction part of Prop H will be complete in 2010, but it will take until some time in 2012 before all of Prop H will be completely expended and closed out.

One of the CBOC's main goals for the coming year is to ensure development of a sustainable long-term maintenance plan. The Prop H bond language requires that the District Board adopt such a plan. See page 4 for a discussion of the maintenance plan.

With the successful passage of Prop U, needed work unfinished by Prop H can be targeted for accomplishment along with progress toward achieving the parity called for in the long-range master plan. The CBOC will be continuing in its role beyond Prop H as the new bond program is implemented. The CBOC will serve as a combined Prop H & U oversight committee. In addition, it is anticipated that the District will maintain the same project management team for both bonds, in order to take advantage of the synergy and construction momentum that the team has established.

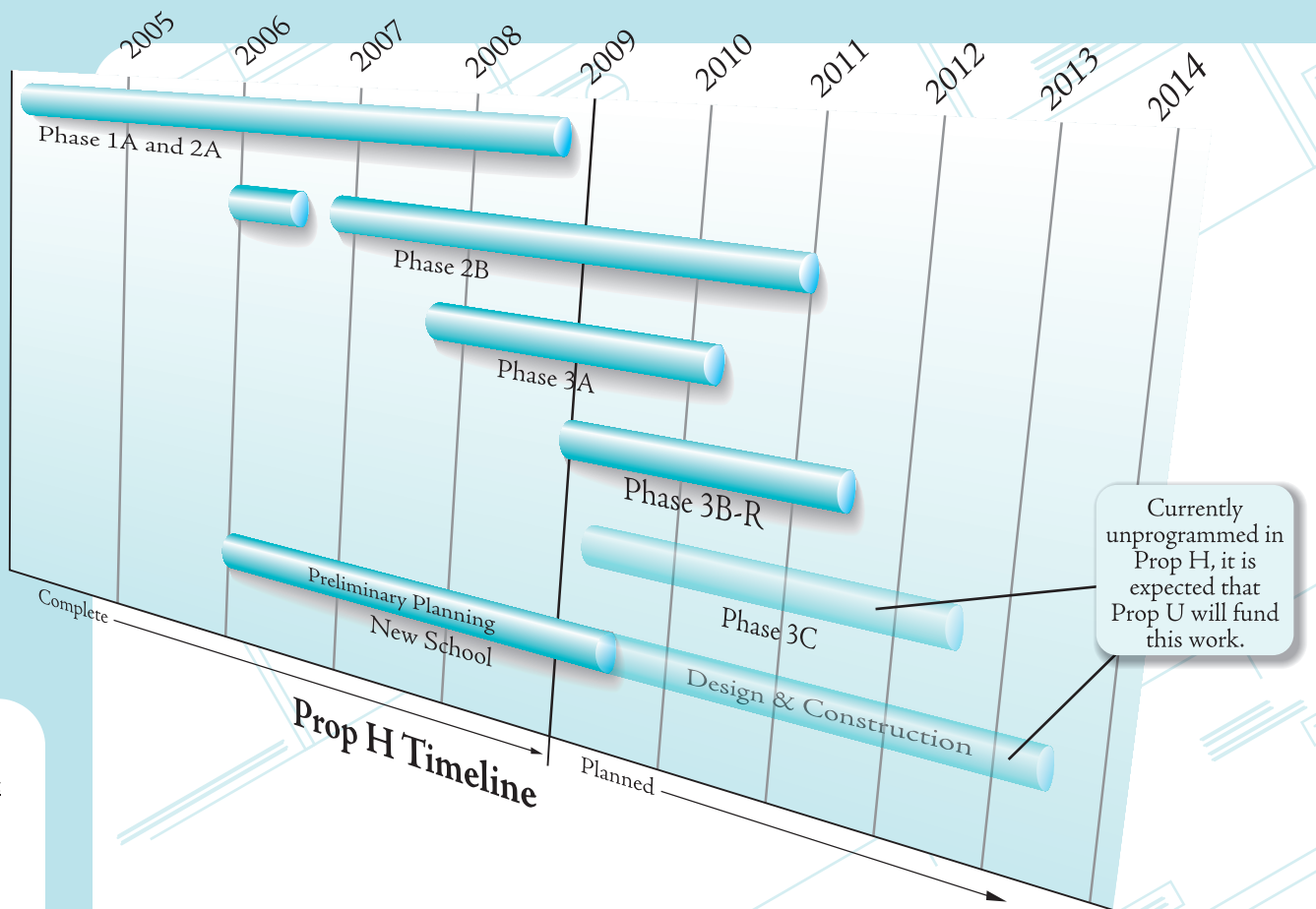

Jim Panknin, Chair

For more information and current updates visit the CBOC website at cboc.guhsd.net.

Para la versión en español de este reporte, visite la página de Internet del CBOC:
<http://cboc.guhsd.net>.

"The Citizens' Bond Oversight Committee shall actively review and report on the proper expenditure of taxpayers' money for school construction."

—Prop H ballot language



CBOC SUBCOMMITTEES

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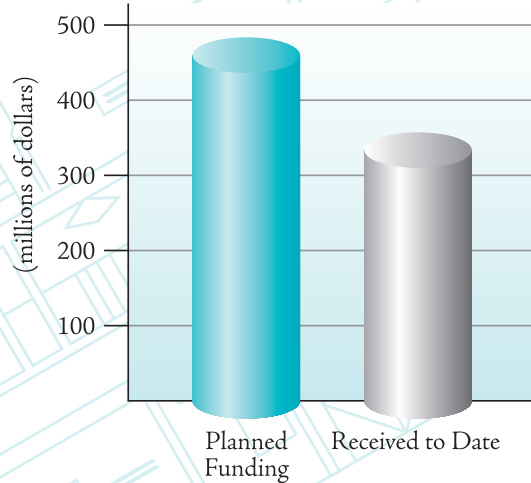
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PROP H STATUS (cont.)

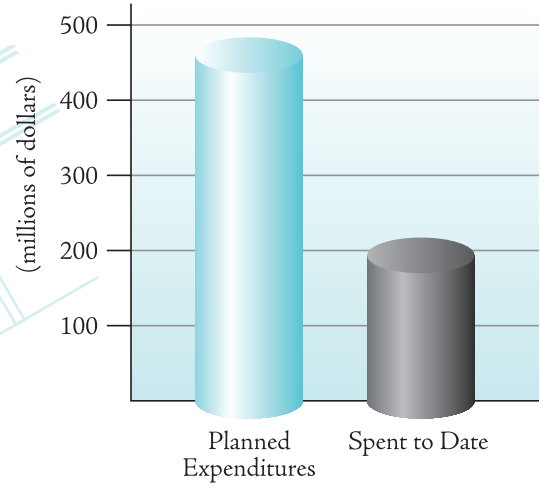
Financial Status: Since the 2007 Annual Report, the total budget for Prop H work has increased by \$15.5 million, based on increased eligibility for state school building grants obtained by the District. All Prop H bonds have been issued. State grants totaling \$35.7 million for modernization have been received, and it's expected that applications for another \$21.7 million will be filed by spring-2009. Currently budgeted Prop H work depends on receiving \$156 million in State grants. Receipt of grant monies depends on the availability of bonds approved by California voters; availability of these bonds could be affected by the State's current financial condition.

Annual Audits: A certified public accounting firm prepared the annual financial and performance audits. The financial audit concluded that financial statements present fairly the financial position of Prop H funds and conform to accepted accounting principles. The performance audit verified that the bond measure funds expended complied with the purpose that was specified to the voters in Prop H.

Funding: Plan vs. Actual

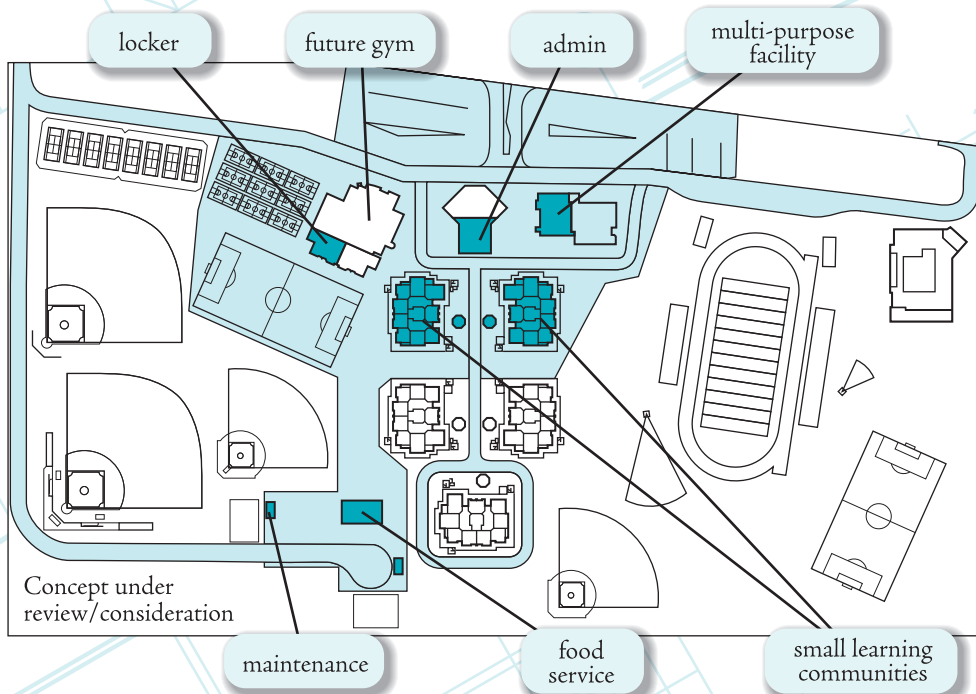


Expenditures: Plan vs. Actual



NEW HIGH SCHOOL

Environmental review and site selection for the new high school listed in Prop H is underway as explained above. As reported previously, Prop H will not be able to fund the construction of a new high school. The Governing Board has approved \$20 million of Prop H or Prop U funds to be allocated towards the purchase of the land and planning for the new school. The Board has approved the construction of an 800 student school using Prop U funding.



Actual design of the new school has not yet started; however, the District Superintendent has proposed a small learning community concept for the new school. As conceived, a land parcel large enough for a full sized comprehensive high school for 2000 students will be purchased and a small learning community school will be built to initially accommodate 800 students. The envisioned school will accommodate existing students from Granite Hills and allow the demolition of World War II era portable classrooms that are long past their useful service life. The small learning community concept is being evaluated by staff and has not yet been formally presented to the Board for action.

The Mission of the CBOC is to independently review the planning and execution of the Prop H bond program to validate to the public and the Governing Board that bond funds are spent within the intent of the bond measure.

NEW SCIENCE BUILDINGS

New science buildings will be built on eight campuses as part of Phase 3A. As reported last year, the new buildings will be eligible for additional state grants, and providing new facilities is more cost effective than upgrading and expanding old science rooms as listed in the Prop H ballot language.

Designs for all eight schools are complete. They have undergone constructability reviews and cost estimates. They have been approved by state agencies for construction. The construction bid market has been favorable and bids received to date have been under budget. Construction has started at Granite Hills and El Cajon Valley, and is expected to be underway at all eight schools by spring next year. Construction of each building will take approximately one year. When completed in early-2010, the buildings will provide 72 new science classrooms and laboratories equipped for top-notch educational instruction.

Conceptual drawing courtesy of HED Architects



Future science building at Grossmont High School

MAINTENANCE PROGRAM

Prop H called for two things with regard to maintenance and repair of schools: 1) a short term plan to eliminate a backlog of maintenance and repair work and, 2) the adoption of an ongoing plan to ensure that major maintenance and repair of new and renovated facilities does not become deferred (after elimination of the backlog). The bond language specifically states that the CBOC shall “oversee the implementation of the major maintenance plan.”

Prior to passage of Prop H, a \$356 million backlog of repair and maintenance had accumulated. When current Prop H funded projects are completed, there will still be \$194 million of backlogged major maintenance and repair work remaining.

In an effort to get the District’s school facilities to a more sustainable condition, the construction and renovation work funded by Prop H was targeted at installing materials and systems that are durable and less expensive to maintain. Prop U is expected to continue the process of improving the condition of schools and reducing backlogged major maintenance and repair work. The CBOC is working with District staff to ensure that the Governing Board adopts a major maintenance plan that is sustainable and keeps the District’s capital facilities in a safe and functional condition.

THE CBOC

During the last year, CBOC has focused on active, involved and appropriate oversight of the Prop H program. In addition to attending CBOC meetings, reviewing financial plans and status reports, and visiting construction sites, CBOC volunteers have visited numerous community groups to present the status of the Prop H program. New this year was an independent performance review conducted by the CBOC Construction Subcommittee and CBOC Consultant, Colbi Technologies, providing a hands-on review of internal control practices. The review concluded that reasonable due diligence and industry best practices are being used in the execution of Prop H projects.

The ability for the public to access Prop H information has vastly improved. The CBOC opened an improved website <http://cboc.guhsd.net> in 2008 that contains information on CBOC meetings and activities. The most noteworthy improvement was the public accessible web site set up by the District at <http://proph.build-guhsd.com/>. Visit this site for up to date status of each project on every campus, as well as archived reports and financial data pertaining to Prop H.

The CBOC members are dedicated to monitoring the progress of your important community investment. The goal of the CBOC for the coming year is to continue to work with District staff, program management, and our consultant to provide status information on the ongoing Prop H program, as well as the new Prop U program approved by voters in November. We will maintain our independence by presenting the information without weighing in on either side of the controversial issues. In this way, we hope to fulfill our obligation to the taxpayers ensuring that bond funds are spent wisely and consistent with the mandate set by Prop H.

CBOC meetings are open to the public and held at 5:00 PM on the last Wednesday of each month at the Grossmont High School Library, located at 1100 Murray Drive in El Cajon.

For more information and current updates visit the CBOC website at cboc.guhsd.net.

*Independent
Citizens'
Oversight
Committee*

ICOC

Annual Report 2007

Contents

- Message from ICOC Chair
- Accomplishments During 2007
- Business Outreach
- Proposition MM Status Overview
- Proposition MM Accountability
- 2008 ICOC Objectives and Expectations

ICOC members as of December 2007:

American Institute of Architects
Stuart Mac Donald

American Society of Civil Engineers
Jon Tibbitts

Construction Mgmt. Assoc. of America
Leonard Pinson

Business Roundtable for Education
Neil Derrough

Financial Executives International
Phil Nerhood

Labor Council
Tom Lemmon

Parent Teacher Association
Dorothy Leonard

San Diego County Taxpayers Assoc.
Sheryll Norris

Members At-Large
Leon Brooks
Jesus Garcia
Bennett Peji

ICOC website:

www.propmm.com

ICOC email:

ICOC@sandi.net

ICOC mail address:

ICOC c/o SDUSD
PPO Center Annex, Room 1
4860 Ruffner Street
San Diego, CA 92111

ICOC phone number:

(858) 637-3609

ICOC meetings: Open to the public. Meetings are usually held monthly on the third Tuesday. Call for meeting dates and times, or go to the ICOC website.

Dear Taxpayers,

I'm proud to present the ICOC 2007 Annual Report on Proposition MM, the \$1.51 billion bond measure passed by San Diego voters in 1998. Proposition MM is on target to complete all work during 2008.

Proposition MM activity peaked in 2003 when there was ongoing work at 126 schools. Proposition MM has been used to build new libraries, new science labs, new classroom buildings, new covered lunch shelters, new code-compliant play equipment, and major repair and replacement projects on 189 school campuses. Only minor work remains to finish and closeout over 2,600 projects promised by Proposition MM to improve existing schools, including the complete rebuild of three schools.

Proposition MM activity during 2007 was primarily focused on new and rebuilt schools. Five new schools opened in September (three new and two rebuilt schools) and another new school will open to full enrollment in September 2008. The 1998 ballot called for the construction of thirteen new schools to ease overcrowding and absorb anticipated growth. Only eleven new schools will be built because enrollment growth has been less than was projected and the overcrowding targeted by Proposition MM has been resolved. Ten new schools have been built and the eleventh school, Jonas Salk Elementary in Mira Mesa, is expected to open in September 2011—it will be constructed using state school building grants generated by Proposition MM projects.

The Proposition MM program has confronted and resolved many challenges including unprecedented cost increases for land and construction during the past nine years. Proposition MM funds were well managed—they will cost the taxpayers of San Diego \$82 million less than was expected and the bonds will be paid off earlier than expected.

A remaining challenge is providing sufficient annual funding for the continuing need to repair and replace building facilities as they wear out and deteriorate, such as: roofs, plumbing, electrical systems, windows, doors, fences, and parking lots. The ICOC reported last year that it had concluded that future bond programs may be needed to ensure that existing schools are kept in a safe and acceptable condition for future generations of students. Toward that end, the ICOC is recommending changes to district policy in order to provide for fiscally responsible long-term decision making. Adoption and implementation of these recommendations will ensure, for decades to come, that the Proposition MM investment made by the taxpayers of San Diego was a wise one.

As chair of the ICOC, I take great pride in the accomplishments of Proposition MM, the district staff, and my fellow ICOC volunteers. Proposition MM has improved our schools, created new opportunities for local businesses, and provided many prevailing-wage jobs for local workers. It has set a higher standard of accountability for public bond programs and serves as a model for others to follow.

It's hard to imagine a better end result for your Proposition MM "yes" vote.

Thank you.

Dorothy Leonard

Dorothy Leonard, Chair
Independent Citizens' Oversight Committee

This report summarizes the accomplishments of Proposition MM in 2007 and sets the expectations for next year's accomplishments. Past annual reports and more information about Proposition MM can be found on the ICOC's website at www.propmm.com and SDUSD's website at www.sandi.net/propmm.



Proposition MM

Repairing Our Neighborhood Schools

2007 ICOC Expectations of the School District (January–December 2007)

- Open four new schools and two rebuilt schools.
- Begin environmental and planning activities to accommodate middle school students in the Memorial Area.
- Obtain approval of a conceptual environmental mitigation plan for Salk Elementary.
- Complete whole-site modernization work on existing schools.
- Obtain principal sign-off for completion of all promised work at 90% of existing schools.
- Establish district policy that ensures fiscally responsible long-term planning for the major repair and replacement of school facilities.



Library expansion at Dana Middle School

2007 ICOC Objectives (January–December 2007)

- Verify the cost of work and accomplishment of items outlined in Proposition MM.
- Monitor remaining work against remaining funds.
- Oversee Proposition MM Annual Audit.
- Conduct field inspections of at least six active construction projects.
- Conduct in-depth physical and financial audits for completed projects at three schools.
- Facilitate continued community involvement.

Accomplishments During 2007

Each year the ICOC sets expectations for the following year. Below summarizes 2007 performance against expectations set last year.

At New Schools:

- Opened three new schools:
 - Florence Griffith Joyner Elementary
 - Thurgood Marshall Middle
 - Laura Rodriguez Elementary
- Opened two rebuilt schools:
 - Abraham Lincoln High
 - Luther Burbank Elementary
- The sixth school scheduled to open, Mary Lanyon Fay Elementary, encountered numerous delays and it was determined that efforts to recover lost time would not complete the school in time for a September 2007 opening. The school is now complete and will now open in September 2008.
- Recent declines in student enrollment and a reconfiguration of elementary schools will accommodate projected enrollment within the Memorial Area. Three elementary schools will adopt a K–8 configuration to accommodate about 500 middle school students, reducing current overcrowding at middle schools. In September the ICOC recommended that no new school be built in the Memorial Area.
- On-site environmental studies designed to validate and delineate environmental mitigation plans have started at Salk Elementary.

At Existing Schools:

- The last whole site modernization project has begun on Muir Alternative School. Construction will be complete in late 2008.
- Principals at 145 schools have acknowledged and accepted completion of all work listed on the Proposition MM ballot. Work is ongoing to complete minor items needed for principal sign-off at all remaining schools.

Major Repair and Replacement (MRR)

Elements of the Proposition MM program were designed to eliminate a backlog of deferred major repair and replacement (MRR) work and put the district in a position to complete future MRR work as needed. While the backlog of MRR work identified in 1998 has been eliminated, an annual source of funding sufficient to meet MRR needs on an annual basis has not been identified. Based on budgeting realities and limited public funding, the ICOC has acknowledged that a portion of future MRR may have to be paid for with future bonds.

ICOC is recommending changes to district policies to require annual preparation and public review of a MRR plan that evaluates the adequacy of annual funding and the status of long-term debt used to complete MRR work. These recommendations will be presented to the Board of Education in 2008.

Business Outreach

The majority of Proposition MM work has been performed by San Diego firms. Of those firms, approximately **36 percent** of construction dollars have gone to small emerging businesses; approximately **12 percent** to businesses owned by minorities, women, and disabled veterans. The school district manages business outreach effort as an in-house program. In addition, the district monitors all contracts to ensure that businesses pay workers prevailing wages.

2008 ICOC Objectives

(January–December 2008)

- Verify the cost of work and accomplishment of items outlined in Proposition MM.
- Monitor remaining work against remaining funds.
- Oversee Proposition MM annual audit.
- Oversee the closeout of the Proposition MM program and issue the final Proposition MM ICOC Report in early 2009.



Library at Cabrillo Elementary School

2008 ICOC Expectations of the School District

(January–December 2008)

- Open one new school.
- Obtain final principal sign-off for completion of all promised work at existing schools.
- Establish district policies that ensure fiscally responsible long-term planning for the major repair and replacement of school facilities.
- Implement internal control changes that will enable timely reconciliation of district financial records to project management and expenditure tracking information.

The ICOC

The ICOC is an oversight group created to monitor Proposition MM implementation and expenditures. Comprised of eleven volunteers, the ICOC reviews planning for Proposition MM projects and makes recommendations to the Board of Education about management of the program prior to the expenditure of funds. ICOC members walk school campuses, review project-planning documents, monitor community meetings, and examine audit reports to verify that the school district is using bond dollars effectively and responsibly. ICOC meetings are open to the public and regulated by the Brown Act. Each year, the ICOC issues an independent annual report to inform the public about the status of Proposition MM and the oversight role of the ICOC.

Project MM Accountability

The ICOC's primary goal is to assure the public and the Board of Education that Proposition MM bond funds have been and will continue to be spent in accordance with the bond measure. The ICOC is organized into subcommittees, each of which are assigned oversight responsibilities for a specific aspect of the Proposition MM program. With the assistance of an ICOC outside consultant, each subcommittee conducts review and oversight activities to achieve objectives established by the full ICOC.

Completed Project Reviews

The ICOC conducted specific reviews of completed school projects to validate expenditures and quality of work. In 2007, three schools were reviewed:

- Porter North Elementary
- Lincoln High
- Burbank Elementary

Reviews validated that expenditures and work completed at these schools were consistent with Proposition MM.

Review of Active Construction Sites

In 2007, ICOC teams visited six sites: Rodriguez Elementary, Marshall Middle, Porter North Elementary, Burbank Elementary, Fay Elementary, and Sherman Elementary. The construction process was well-managed and completed work was found to be of good quality.



Science lab at Lincoln High School

Financial Audit

The ICOC also initiates and oversees an independent audit of Proposition MM financial statements. The audit report for the fiscal year ending June 30, 2007, was prepared by a certified public accounting firm. The report concluded that no bond measure funds were used for general administrative salaries and that statements fairly present the financial position of Proposition MM funds and conform to general accepted accounting principles.

2008 Objectives and Expectations

Each year, the ICOC establishes expectations for the school district and objectives for itself. The expectations and objectives for 2008 are listed at the left. The ICOC expects that closeout of the Proposition MM program will be complete in September 2008. Proposition MM called for the ICOC to continue until all funds were expended. The ICOC expects to present a final report in early 2009.

Proposition MM Status Overview

Proposition MM work began in 1999 shortly after the successful passage of the bond. It was a 10-year program with a total of \$1.51 billion to repair and modernize existing schools, construct facilities for better learning, and to build new schools to ease overcrowding. Below is a status overview.

Existing Schools

Proposition MM has completed work at 189 schools and includes:

- 104 new and expanded libraries
- 75 new instructional support spaces
- 36 new science classroom/lab buildings
- 17 permanent classroom buildings
- 122 new lunch court shelters
- 133 repainted schools
- 49 reroofed schools
- 153 new playground units

New Schools

Proposition MM planned to build thirteen new schools and rebuild/expand three schools to relieve overcrowding. Areas to be served by eleven of the thirteen planned schools were defined, while two planned schools were to provide for anticipated growth in "undesigned" areas.

Only eleven new schools will be built:

- In 2004, the Board accepted ICOC and staff recommendations that the Sherman Area no longer required a new school due to declining enrollment. Instead, the existing Sherman Elementary, which serves the area, was demolished and rebuilt.
- Initial planning for one of the undesigned schools targeted a new middle school for the Memorial Area to ease overcrowding at middle schools. However, the Board rejected initial plans due in part to declines in student enrollment. This year, the Board accepted ICOC and staff recommendations that reconfiguration of several elementary schools to K-8 would reduce existing middle school overcrowding and accommodate future student enrollment in existing local schools.

Jonas Salk Elementary is delayed due to vernal pool/fairy shrimp mitigation issues as required by U.S. Fish and Wildlife Service. Costs through 2008 will be funded by Proposition MM with remaining work funded by state grants generated by Proposition MM projects. The school is expected to open in September 2011.

Financial Status

Total spending on Proposition MM work is projected to reach \$1.605 billion, 6% over the \$1.51 billion raised by the bond issue. The additional \$95 million in expenditures is being funded primarily by interest earned from the bond funds and California state school building grants for qualifying Proposition MM projects.

The additional expenditures are entirely attributable to new schools. Cost escalation has been higher than projected in 1998 when Proposition MM was approved by the voters. San Diego has seen 100% increases in per-acre costs for land and 20% to 40% increases for construction materials fueled by a world-wide construction boom. Other factors include scope changes at Lincoln High (much more rebuilding than anticipated), Normal Heights Elementary (land cleanup costs to gain state certification for school use), and Thurgood Marshall Middle (originally budgeted as an elementary).

All Proposition MM funds have been spent or committed. The program will closeout during 2008.



Library at Abraham Lincoln High School

Projected Opening of New/Rebuilt Schools

Completed and Open

- Sept. 2001:** Ellen Browning Scripps Elementary
(Dingeman/Jerabek/Miramar Ranch Area)
- Sept. 2005:** Cherokee Point Elementary
(Central Area)
Herbert Ibarra Elementary
(Euclid Area)
- Jan. 2006:** Golden Hill Elementary
(Brooklyn/Kimbrough Area)
Walter Porter Elementary
(Kennedy/Knox Area)
- Mar. 2006:** Francis Mead Elementary
(rebuild)
- Sept. 2006:** Normal Heights Elementary
(Adams/Franklin Area)
- Sept. 2007:** Florence Griffith Joyner Elementary
(Edison/Hamilton/Parks Area)
Abraham Lincoln High
(rebuild)
Thurgood Marshall Middle
(formerly undesigned area)
Laura Rodriguez Elementary
(King/Logan/Perkins Area)
Luther Burbank Elementary
(rebuild)

Under Construction

- Sept. 2008:** Mary Lanyon Fay Elementary
(Jackson/Marshall Area)

Planned

- Sept. 2011:** Jonas Salk Elementary
(Mason/Hage Area)