

INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE BYLAWS

Section 1 Committee Established

The Anaheim Union High School District was successful at the election conducted on November 4, 2014 in obtaining authorization from the District's voters to issue up to \$249,000,000 aggregate principal amount of the District's general obligation bonds (the "Measure H"). The Election was conducted under Proposition 39, being chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000 at Section 15264 *et seq.* of the Education Code of the State ("Prop 39"). Pursuant to Section 15278 of the Education Code, the District is obligated to establish the Committee in order to satisfy the accountability requirements of Prop 39. The Board of Education (The "Board") of the Anaheim Union High School District (the "District") hereby establishes the Independent Citizens' Oversight Committee (the "Committee"), which shall have the purpose and duties set forth in these Bylaws. The Committee does not have independent legal capacity from the District.

Section 2 Purpose

The purpose of the Committee is set forth in Prop 39. These bylaws are specifically made subject to the applicable provisions in Prop 39 as to the duties and rights of the Committee. The District shall provide necessary administrative support to the Committee as shall be consistent with the Committee's responsibilities as set forth in Prop 39.

Section 3 Duties

To carry out its stated purpose, 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. In fulfilling this duty, all official communications to either the Board or the Public shall come from the Chair acting on behalf of the Committee. The Chair shall only release information that reflects the majority view of the Committee.
- 3.2 Review Expenditures: The Committee shall review expenditure reports produced by the District to (a) ensure that bond proceeds are expended only for the purpose set forth in the ballot measure; and (b) ensure that no bond proceeds are used for any teacher or administrative salaries or other operating expenses.
- 3.3 Annual Report: The Committee shall present to the Board, in public session, and place on the District website an annual written report (the "Annual 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.

Section 4 Authorized Activities

In order to perform the duties set forth in Section 3, the Committee may 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 Prop 39 (Article XIII A of the California Constitution).
- (b) Inspect school site facilities and grounds for which bond proceeds have or will be expended, in accordance with any access procedure established by the Superintendent or designee
- (c) Review copies of scheduled maintenance proposal or plans developed by the District
- (d) Review efforts by the District to maximize bond proceeds by implementing various cost-saving measures.

Section 5 Membership

5.1 Number: The Committee shall consist of at least seven members, as follows:

- (a) One member who is active in a business organization representing the business community located within the District;
- (b) One member who is active in a senior citizens' organization;
- (c) One member who is the parent or guardian of a child enrolled in the District;
- (d) One member who is both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization; and
- (e) One member who is active in a bona fide taxpayer's organization;
- (f) Additional at-large members from the community as deemed appropriate by the Board.

5.2 Qualification Standards:

- (a) To be a qualified person, he or she must be at least 18 years of age
- (b) The Committee may not include any employees, official of the District, or any vendor, contractor or consultant of the District

5.3 Appointment: The Board shall appoint members to the Committee as necessary. Prior to appointment, the District Superintendent shall conduct a selection process to ensure that each person appointed meets the qualifications standards

set forth in Section 5.2. When an appointment is necessary to fill a vacancy, the Superintendent shall ensure that a nomination is received from a like organization or category as the Committee member whose position is vacant.

- 5.4 **Ethics: Conflicts of Interest:** Members of the Committee are not subject to Articles 4 (commencing with Section 1090) and 4.7 (commencing with Section 1125) of Division 4 Title 1 of the Government Code and the Political Reform Act (Gov. Code §§81000 et seq.) and are not required to complete the Form 700. However, each member shall comply with the Committee Ethics Policy attached as "Attachment A" to these bylaws.
- 5.5 **Term:** Each member of the Committee shall serve for a term of two years and for no more than two consecutive terms. Members whose term has expired may continue to serve on the Committee until a successor has been appointed.
- 5.6 **Removal: Vacancy:** The Committee may recommend that the Board remove any Committee member for (a) failure to attend three committee meetings in a year without reasonable excuse, or (b) failure to comply with the Committee Ethics Policy. Upon the removal of a member, his or her seat shall be declared vacant. The Board shall fill any vacancies on the Committee in accordance with the appointment process set forth in Section 5.3.
- 5.7 **Compensation:** The Committee members shall not be compensated for their services.

Section 6 Meetings of the Committee

- 6.1 **Regular Meetings:** The Committee shall establish a schedule for the date and time of regular meetings to include an annual meeting to be held at least once a year.
- 6.2 **Location:** All meetings will be held within the jurisdiction of the Anaheim Union High School District.
- 6.3 **Procedures:** Meetings shall be conducted according to such 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 *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 agenda, minutes, and reports; and
- (d) Retention of all committee records, and providing access to such records on an Internet website maintained by the District.
- (e) District staff shall maintain all Committee record and provide public access to such records

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

7.3 The District shall not use any bond proceeds to provide the support set forth in this section 7.

Section 8 Officers

The Committee shall elect a Chair and Vice-Chair who shall act as Chair only when the Chair is absent; such position shall continue for two-year terms. No person shall serve a Chair for more than two consecutive terms.

Section 9 Amendments of Bylaws

Any amendment to these bylaws shall be approved by a majority vote of the Citizens' Oversight Committee.

Section 10 Termination

The Committee shall automatically terminate and disband concurrently with the Committee's submission of its final Annual Report, which reflects the final accounting of the expenditures of all the proceeds of the Measure.

Section 11 Applicability if the California Law

The Committee was established by the District in order to comply with Sections 15278 *et seq.* of the California Education Code (the "Code"). Nothing in these Bylaws shall be interpreted in a manner that is inconsistent with the provisions of the code.

ATTACHMENT A

CITIZENS' BOND 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 finance or benefit an immediate family member, such as a spouse, child or parent.
- **OUTSIDE EMPLOYMENT.** A Committee member shall not use his or her authority over a particular matter to negotiate future employment with any person or organization that relates to: (1) any contract funded by bond proceeds, or (2) any construction project. A Committee member shall not influence a District decision related to any construction project involving the interest of a person with whom the member has an agreement concerning current or future employment, or remuneration of any kind. For a period of two (2) years after leaving the Committee, a former Committee member may not represent any person or organization for compensation in connection with any matter pending before the District that, as a Committee member, he or she participated in personally and substantially. Specifically, for a period of two (2) years after leaving the Committee, a former Committee member and the companies and businesses for which the member works shall be prohibited from contracting with the District with respect to: (1) bidding on projects funded by the bond proceeds; and (2) any construction project.
- **COMMITMENT TO UPHOLD LAW.** A Committee member shall uphold the federal and California Constitutions, the laws and regulations of the United States and the State of California (particularly the Education Code) and all other applicable government entities, and the policies, procedures, rules and regulations of the Anaheim Union High School District.
- **COMMITMENT TO DISTRICT.** A Committee member shall place the interests of the District above any personal or business interest of the member.