

RESOLUTION NO. 011918-1

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE DESERT
COMMUNITY COLLEGE DISTRICT APPROVING AMENDED AND
RESTATED BYLAWS FOR THE CITIZENS' OVERSIGHT COMMITTEE**

WHEREAS, the Board of Trustees (the "Board of Trustees") of the Desert Community College District, counties of Riverside and Imperial, State of California (the "District"), pursuant to Sections 15278 *et seq.* of the California Education Code (the "Education Code"), previously established and appointed an independent citizens' oversight committee (the "Citizens' Oversight Committee") to inform the public concerning the expenditure of proceeds from the bond measure approved at the bond election held on March 2, 2004 ("Measure B"); and

WHEREAS, the Board of Trustees previously adopted bylaws for the Citizens' Oversight Committee (the "Bylaws") in connection with Measure B; and

WHEREAS, the Board of Trustees previously resolved that the Citizens' Oversight Committee for Measure B would also serve as the Citizens' Oversight Committee for the bond measure approved at the bond election held on November 8, 2016 ("Measure CC"); and

WHEREAS, the Board of Trustees desires to amend and restate the Bylaws to reflect their application to Measure CC and all future bond measures and make other revisions consistent with Sections 15278 *et seq.* of the Education Code;

NOW, THEREFORE, be it resolved, determined and ordered by the Board of Trustees of the Desert Community College District as follows:

Section 1. The Bylaws, a copy of which is attached hereto as Exhibit A, are hereby approved as amended and restated.

Section 2. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this day, _____, by the following vote:

Chairperson of Board of Trustees of the
Desert Community College District

Attest:

Clerk of the Board of Trustees of the
Desert Community College District

EXHIBIT A

**INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE
AMENDED AND RESTATED BYLAWS**

Section 1. Committee Established and Consolidated. The Desert Community College District (the "District") was authorized by over 55% of voters within the District at elections conducted on March 2, 2004 and November 8, 2016 (collectively, the "Elections"), to issue up to \$346,500,000 aggregate principal amount and \$577,860,000 aggregate principal amount, respectively, of the District's general obligation bonds. The ballot measures considered in the Elections were conducted under Proposition 39, being chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, at Section 15264 *et seq.* of the California Education Code ("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 Trustees of the Desert Community College District (the "Board") hereby establishes the Independent Citizens' Bond Oversight Committee (the "Committee"), which shall have the duties and rights set forth in these Bylaws, and shall oversee the expenditures made in connection with the ballot measures approved in the Elections and all future ballot measures approved by voters in the District pursuant to Prop 39. 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 these Bylaws are specifically made subject to the applicable provisions of Prop 39 as to the duties and rights of the Committee. The Committee shall be deemed to be subject to the *Ralph M Brown Public Meetings Act* of the State of California and shall conduct its meetings in accordance with the provisions thereof. The District shall provide necessary administrative support to the Committee as shall be consistent with the Committee's purposes, as set forth in Prop 39.

The proceeds of general obligation bonds issued pursuant to the Elections are hereinafter referred to as "bond proceeds." The Committee is responsible for reviewing the District's expenditures of bond proceeds under the ballot measures approved at the Elections and all future ballot measures approved by voters of the District pursuant to Prop 39. Regular and scheduled maintenance projects and all monies generated under other sources shall fall outside the scope of the Committee's review.

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

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

3.2 **Review Expenditures.** The Committee shall review expenditure reports produced by the District to ensure that (a) bond proceeds were expended only for the purposes set forth in

the applicable ballot measures; and (b) no bond proceeds were used for any inappropriate teacher or administrative salaries or other operating expenses, [described in California Constitution Article XIII A, Section 1\(b\)\(d\)](#) and in accordance with [California Attorney General Opinion 04-110](#) issued on November 9, 2004.

3.3 Annual Report. The Committee shall present to the Board, in public session, an annual report or reports 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 or the Board/Superintendent/President. Either the Board of the Superintendent/President, as the Board shall determine, shall have the following powers reserved to it, and the Committee shall have no jurisdiction over the following types of activities:

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

3.5 Voter-Approved Projects Only. In recognition of the fact that the Committee is charged with overseeing the expenditure of bond proceeds, the Board has not charged the Committee with responsibility for:

- (a) Projects financed through the State of California, developer fees, redevelopment tax increment, certificates of participation, lease/revenue bonds, the general fund or the sale of surplus property without bond proceeds shall be outside the authority of the Committee.
- (b) The establishment of priorities and order of construction for the bond projects shall be made by the Desert Community College District Board of Trustees and/or Superintendent/President in his/her sole discretion.
- (c) The selection of architects, engineers, soil engineers, construction managers, project managers, CEQA consultants and such other professional service firms as are required to complete the project based on District criteria established by the Board in its sole discretion.

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(d) The approval of the design for each project including exterior materials, paint color, interior finishes, site plan, ~~construction type and construction delivery method~~ by the Board in its sole discretion and shall report to the Committee on any cost saving techniques considered or adopted by the Board.

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(e) The selection of independent audit firm(s), performance audit consultants and such other consultants as are necessary to support the activities of the Committee.

(f) The approval of an annual budget for the Committee that is sufficient to carry out the activities set forth in Prop 39 and included herein.

(g) The appointment or reappointment of qualified applicants to serve on the Committee, ~~subject to Prop 39 and the Board.~~

Section 4. Authorized Activities.

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

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

(c) ~~Receive copies of the five-year construction plan, or other major capital plans~~ developed by the District.

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

Section 5. Structure and Membership.

5.1 Number.

The Committee shall consist of a minimum of seven (7) members appointed by the Board of Trustees from a list of candidates submitting applications ~~to the Superintendent/President,~~ and based on criteria established by Prop 39, to wit:

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- One (1) student enrolled 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 citizens' organization.

- One (1) member active in a bona-fide taxpayers association.
- One (1) member active in a support organization for the college, such as a foundation.

Two (2) members of the community at-large.

The Board will take appropriate action to ensure the membership of statutorily required memberships as outlined in Section 5.1 of these Bylaws, and assure service of a mix of tenured Committee members.

5.2 Qualification Standards.

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

5.3 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 of Title I 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 Amended and Restated Bylaws.

5.4 Term. Except as otherwise provided herein, each member shall serve a term of two (2) years, commencing as of the date of appointment by the Board. No member may serve more than three (3) consecutive terms or as many as may be permitted by law. Members whose term has expired may continue to serve on the Committee until a successor has been appointed.

5.5 Appointment. Members of the Committee shall be appointed by the Board through the following process: (a) the District shall advertise for members in accordance with its customary practices, including through local newspapers and the District website; (b) appropriate local groups will be solicited for applications; (c) the Superintendent/President will review the applications; and (d) the Superintendent/President will make recommendations to the Board. After appointment to a two-year term, members of the Committee who wish to be appointed for subsequent terms, are subject to term limits and must be reappointed by the Board through approval or ratification.

5.6 Removal: Vacancy. The Board may remove any Committee member for 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 shall fill any vacancies on the Committee. The District shall seek to fill vacancies within 90 days.

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

5.8 Authority of Members. (a) Committee members shall not have the authority to direct staff of the District; (b) Individual members of the Committee retain the right to address the

Board, either on behalf of the Committee or as an individual; and (c) the Committee and its members shall have the right to request and receive only copies of reports and records relating to a measure's projects which have been prepared for the Board and which have become a public record.

Section 6. Committee Meetings

- 6.1 Brown Act. The Committee shall be subject to the State of California's Ralph M. Brown Public Meetings Act. The Committee shall conduct its meetings in accordance with the provisions thereof.
- 6.2 Regular Meetings. The Committee must meet at least once a year, including an annual organizational meeting, but may not meet more frequently than quarterly.
- 6.3 Special Meetings. A special meeting of the Committee may be called by the president, the vice president, or by one-third of the members holding office. The purpose of the special meeting shall be limited to addressing important matters that require action before the next regular meeting. Notice to the membership of special meetings of the Committee shall be posted on the District website 48 hours before the meeting.
- 6.4 Notices of Special Meetings of the Committee shall be not less than 24 hours prior to the meeting date, in accordance with applicable California law.
- 6.5 Location. All meetings shall be held within the jurisdiction of the Desert Community College District, including but not limited to 43-500 Monterey Avenue, Palm Desert, CA 92260.
- 6.6 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 additional procedural rules the Committee may adopt. A majority of the Committee members shall constitute a quorum for any business transaction. Public comment shall be limited to three minutes per person and a maximum of 20 minutes per topic. The Chair may extend the time.
- 6.7 Quorum. Except as provided herein, a majority of the number of Committee members shall constitute a quorum for the transaction of any business, discussion, or action except adjournment. Except as provided herein, the Committee's action shall be by a vote of the majority members of the Committee. In regards to the Committee, a quorum constitutes four (4) members present out of the total seven (7) members, except that a quorum shall constitute a majority of the seats appointed by the Board when vacancies exist, provided that a quorum shall be a minimum of three (3) members present.

Section 7. Procedures.

- 1) All meetings of the Committee and Subcommittees shall be noticed and conducted in accordance with the Ralph M. Brown Act, Government Code Section 54950 et seq.
- 2) The rules contained in the most current edition of Robert's Rules of Order shall serve as a guide to the conduct of meetings when applicable and when not inconsistent with these Bylaws.
- 3) Proxy votes are not permitted.

Section 8. District Support.

8.1 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 agendas and reports; and
- (d) retention of all Committee records, and providing public access to such records on an Internet website maintained by the District.

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

7.3 No bond proceeds may be made to provide District support to the Committee.

Section 9. Reports. In addition to the Annual Report required in Section 3.3, the Committee may report to the Board from time to time to advise the Board on the activities of the Committee. Such a report shall summarize the proceedings and activities conducted by the Committee.

Section 10. Officers. Upon the recommendation of the Superintendent/President, the Board shall appoint the initial Chair of the Committee to serve for one year as Chair. After that, the Committee shall elect the Chair and a Vice-Chair who shall act as Chair only when the Chair is absent. No person shall serve as Chair for more than three consecutive years.

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Regular Meetings. The Committee is required to meet at least once a year including an annual organizational meeting, but may not meet more frequently than quarterly.

Location. All meetings shall be held within the jurisdiction of the Desert Community College District.

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.

Section 7. District Support.

The District shall provide to the Committee necessary technical and administrative assistance as follows:

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;

(6) provision of a meeting room, including any necessary audio/visual equipment;

preparation and copies of any documentary meeting materials, such as agendas and reports; and

retention of all Committee records, and providing public access to such records on an Internet website maintained by the District.

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.

No bond proceeds may be made to provide District support of the Committee.

Section 8. Reports. In addition to the Annual Report required in Section 3.3, the Committee may report to the Board from time to time in order to advise the Board on the activities of the Committee. Such report shall be in writing and shall summarize the proceedings and activities conducted by the Committee.

Section 9. Officers. The Board, upon the recommendation of the Superintendent/President shall appoint the initial Chair of the Committee to serve for one year as Chair. Thereafter, the Committee shall elect the Chair and a Vice-Chair who shall act as Chair only when the Chair is absent. No person shall serve as Chair for more than three consecutive years.

Section 11, Amendment of Bylaws. Any amendment to these Bylaws shall be approved by a majority vote of the entire Board of Trustees of the District.

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Section 12, 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 expenditure of all the proceeds of bonds of all ballot measures then approved by voters in the District pursuant to Prop 39.

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January 19, 2018

**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 make or influence a District decision related to any construction project involving the interest of a person with whom the member has no 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 Desert 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.