

BYLAWS
OF THE
PROPOSITION S INDEPENDENT CITIZENS OVERSIGHT COMMITTEE
OF THE
SAN DIEGO UNIFIED SCHOOL DISTRICT

1. COMMITTEE ESTABLISHED.

- A. The San Diego Unified School District (the “District”) conducted an election on November 4, 2008 (the “Election”), seeking authorization from the District’s voters to issue up to \$2.1 billion dollars in aggregate principal amount of the District’s general obligation bonds (Proposition S). The voters of San Diego County approved Proposition S in the amount of \$2.1 billion. The election was conducted under Proposition 39, chaptered as the Strict Accountability in Local School Construction Bonds Act of 2000, at Section 15264 et seq. of the California Education Code.
- B. Pursuant to California Education Code (“Education Code”) section 15278, the District is obligated to establish an Independent Citizens Oversight Committee (“Committee”) in order to satisfy the accountability requirements of Proposition 39. The Governing Board of the San Diego Unified School District (the “Board”) established the Committee at its regular meeting on November 18, 2008, and subsequently appointed the Committee’s initial Members at subsequent meetings. The duties and rights set forth in these Bylaws reflect the language and intent of the Board’s creation of the Committee.

2. PURPOSES.

- A. The purposes of the Committee are set forth in Proposition 39 and its implementing provisions in Education Code, and these Bylaws are specifically made subject to these provisions of law as to the duties and rights of the Committee. The Committee shall also be charged with responsibilities as set forth in the Proposition S Election Resolution, which is incorporated herein in its entirety. The District shall provide necessary administrative support to the Committee as shall be consistent with the Committee’s purposes, as set forth in Proposition 39.
- B. The proceeds of general obligation bonds issued pursuant to the Election are hereinafter referred to as “bond proceeds.” The Committee shall confine itself specifically to bond proceeds generated under Proposition S. 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 Proposition S monies and other non-bond funds, such projects and expenditures shall be subject to Committee oversight and review in accordance with law and these Bylaws.

C. Essential to the purpose of the ICOC is the establishment of meaningful and effective community and small business outreach, so that the District may maximize available resources and achieve its construction goals in a timely and efficient manner.

3. **DUTIES.** The Committee shall perform its duties pursuant to the Strict Accountability in Local School Construction Bonds Act of 2000 (Education Code sections 15264 through 15288, inclusive) a copy of which is attached as Exhibit A.

4. **AUTHORIZED ACTIVITIES.** The Committee may engage in the activities provided for in the Strict Accountability in Local School Construction Bonds Act of 2000 (Education Code sections 15264 through 15288, inclusive).

5. **MEMBERSHIP.**

A. **Number.** The Committee shall consist of eleven (11) members, as follows:

- 1) One member who is active in a business organization representing the business community located with the district;
- 2) One member who is active in a senior citizens' organization;
- 3) One member of a bona fide taxpayers' association;
- 4) One member who is the parent or guardian of a child enrolled in the district;
- 5) One member who is the parent or guardian of a child enrolled in the district and is active in a parent/teacher organization;
- 6) Five members individually nominated by each of the five members of the Board; and
- 7) One member of the Proposition MM ICOC, to provide background to new committee members. At any time during the life of this Committee, the Board may appoint an individual to this seat who was not a member of the Proposition MM ICOC.

B. **Qualification Standards.** To be a qualified person, he or she must:

- 1) Be at least 18 years of age and a citizen of the state in accordance with Government Code section 1020;

- 2) Reside within the District's geographic boundaries;
 - 3) Not be an employee or official of the District; and
 - 4) Not be employed as or by a vendor, contractor, or consultant of the District.
- C. Appointment. Members of the Committee shall be appointed by majority vote of the Board at a regularly scheduled, properly noticed public meeting, through an appointment process developed by the Board.
- D. Term. Except as otherwise provided herein, each member shall serve a term of two (2) years, with the term year commencing on March 25th, which corresponds with the date of the first meeting of the Committee after the passage of Proposition S. No member may serve more than two (2) consecutive terms. In order to stagger the terms of the Committee members, upon the adoption of these Bylaws by the Committee and the District Board of Education, up to five (5) seats will be determined to be one (1) year terms, first by those who volunteer to resign from the ICOC at the end of one year, and the remainder by those who voluntarily participate in a lottery to determine any remaining one (1) year terms. The Board will take appropriate action to ensure membership of statutory required memberships, as outlined in Section 5(A), and to ensure service of a mix of tenured Committee members.
- E. Ethics; Conflicts of Interest. By accepting appointment to the Committee, each member agrees to comply with the Conflict of Interest provisions of Article 4 (commencing with Section 1090) and Article 4.7 (commencing with Section 1125) of Division 4 of Title 1 of the California Government Code, and the Political Reform Act of Title 9 (commencing with Section 81000) of the Government Code, which includes the submitting of Form 700: Statement of Economic Interests with the District. Form 700 records will be maintained in the possession of the District's General Counsel at the Eugene Brucker Education Center.
- F. Removal; Vacancy. The Board may remove any Committee member for cause, including but not limited to failure to attend three (3) consecutive regular Committee meetings due to unexcused absences as determined by the Executive Committee, being absent for more than eighty percent (80%) of the regular Committee meetings in a term year, being absent from regular Committee meetings more than four (4) times in a term year, or for failure to comply with the provisions of these Bylaws. If a member fails to meet the qualification standards set forth above at any time during the term of service, the member shall be disqualified and the position shall be declared vacant. Upon a member's removal, his or her seat shall be declared vacant, and the Board shall fill any vacancies on the Committee in accordance with Section 5(C).

- G. Compensation. The Committee members shall not be compensated for their services.
- H. Authority of Members. Individual 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 as an individual Committee member or, when so directed or authorized by the Committee, on behalf of the Committee.

6. **OFFICERS.**

- A. The Committee shall elect a Chair, and a Vice-Chair who shall act as Chair in the absence of the Chair, which positions shall continue for one (1) year terms.
- B. The ICOC Committee Chair shall be elected annually and may serve no more than four (4) consecutive one year terms. After completion of the fourth term the incumbent must wait one year before serving again as chair.

7. **SUBCOMMITTEES.**

- A. Establishment. There shall be five (5) standing Subcommittees, as follows:
 - 1) Audit Subcommittee.
 - 2) Finance, Planning and Controls Subcommittee.
 - 3) Construction Subcommittee.
 - 4) Governance Subcommittee.
 - 5) Executive Committee.
- B. Membership.
 - 1) Subcommittees shall consist of a minimum of three (3) and a maximum of five (5) members.
 - 2) Members of the Committee should serve on a minimum of two (2) Subcommittees.
 - 3) The Committee Chair shall serve as an ex-officio member of all Subcommittees, and shall vote on Subcommittee matters only in the case of a tie vote.
- C. Officers. Each Subcommittee shall appoint a Subcommittee Chair. Subcommittee Chairs are to be elected annually and may serve a total of four consecutive terms. After the fourth term the incumbent must wait one year before serving again as Subcommittee Chair. In the event that a Subcommittee has no elected Chair the ICOC Chair shall appoint a Subcommittee Chair pro-tem until the Subcommittee elects their Chair.

- D. Executive Committee. An Executive Committee shall be formed comprised of the ICOC Chair and all standing Subcommittee Chairs. The ICOC Chair shall preside over this committee. The duties of the Executive Committee are to, monitor ICOC and Subcommittee attendance and to convene in emergency situations when an attempt to convene a quorum of the Committee is unsuccessful.

8. **MEETINGS OF THE COMMITTEE AND SUBCOMMITTEES.**

- A. Brown Act. The Committee and its standing Subcommittees 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.
- B. Regular Meetings. The Committee and Subcommittees shall establish a schedule for the date and time of regular meetings to be held at least quarterly, to include an annual organizational meeting to be held in April.
- C. Location. All ICOC Committee meetings shall be held at the San Diego Unified School District Education Center auditorium and Subcommittees shall be held within the jurisdictional boundaries of the San Diego Unified School District.
- D. Quorum. A majority of the number of Committee or Subcommittee members shall constitute a quorum for the transaction of any business, discussion or action except adjournment. In regards to the ICOC Committee a quorum constitutes six members present. Action of the Committee or a Subcommittee shall be by a majority vote of the Committee members.
- E. 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 10th 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 at ICOC Committee meetings or at Sub Committee meetings.

9. **DISTRICT SUPPORT.**

- A. The District shall provide to the Committee necessary technical and administrative assistance as needed including but not limited to:
- 1) 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;

- 2) Provision of a meeting room, including any necessary audio/visual equipment;
 - 3) Preparation and copies of any documentary meeting materials, such as agendas and reports; and
 - 4) Retention of all Committee records, and providing public access to such records on an Internet website maintained by the Board.
 - 5) District shall provide the Committee legal services as required to conduct its business. As a minimum, a legal counsel shall be available at ICOC meetings and at Subcommittee meetings when requested in advance by the ICOC Chair or the Subcommittee Chairs.
- B. District staff shall attend all Committee and Subcommittee proceedings, unless excused, in order to report on the status of projects and the expenditures of bond proceeds.
 - C. The District shall not use any bond proceeds to provide the support set forth in this Section consistent with Education Code, Section 15280.
 - D. Any requests for copies or inspection of District records pursuant to their duties described in the Education Code shall be made through the Chair of the ICOC and the Chair of the appropriate Subcommittee. Requests shall be made in writing to the District's Executive Director, Capital Improvement Bond Program.
10. **REPORTS.** In addition to the Annual Report required in Section 3(C), the Committee shall report to the Board and public not less than quarterly in order to advise on the activities of the Committee. Such report shall be as required by law (in writing or posted to Committee website), and shall summarize the proceedings and activities conducted by the Committee in the previous quarter.
 11. **TRANSPARENCY.** The Committee shall strive to achieve the highest level of transparency to ensure accountability and information for all District residents.
 12. **INDEMNIFICATION.** The Board of Education shall indemnify, insure and hold harmless Committee members for and during their service on the Committee. Such indemnification, insurance and actions to hold them harmless shall be consistent with to what is provided for the members to the District's Governing Board, Officers, and employees. Reference Exhibit B & C.
 13. **MINORITY REPORTS.** It will be the goal of the ICOC to work collaboratively, support all ICOC members and develop consensus. However, a minority report to the year end performance audit report submitted to the Board of Education is permitted so long as it is proposed and supported by at least four (4) of 11 ICOC members, the report is signed by all members endorsing it, the intention to prepare a report is announced during the ICOC meeting during which the contested action is approved, and a copy of the minority report is submitted to the entire membership of the ICOC at least seventy-

two (72) hours prior to the start of the Board of Education meeting during which the Board will receive the ICOC's report.

14. **TERMINATION.** The Committee shall automatically terminate and disband at the earlier of the date when all bond proceeds are spent, or all projects funded by bond proceeds are completed.
15. **AMENDMENT OF BYLAWS.** Adoption and any amendment to these Bylaws shall be approved by a two-thirds vote of the entire Committee, with such action taken after two readings. Adoption and approval by the Board shall be by majority vote, with only one reading necessary.

CALIFORNIA EDUCATION CODE
Title 1. General Education Code Provisions
Division 1. General Education Code Provisions
Part 10. School Bonds

Chapter 1.5. Strict Accountability in Local School Construction Bonds Act of 2000

Article 1. General Provisions

§ 15264. Legislative intent

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. Alternative to bonds

(a) As an alternative to authorizing and issuing bonds pursuant to Chapter 1 (commencing with Section 15100) or Chapter 2 (commencing with Section 15300), the governing board of a school district, community college district, or a school facilities improvement 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, community college district, or a school facilities improvement 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 at which all of the electors of the school district, community college district, or school facilities improvement district, as appropriate, are entitled to vote, 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) or under Chapter 2 (commencing with Section 15300), as appropriate. Where not inconsistent, the

provisions of Chapter 1 (commencing with Section 15100) or Chapter 2 (commencing with Section 15300), as appropriate, shall apply to this chapter.

§ 15268. Total amount of bonds

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.

§ 15270. Percentage of taxable property

(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, and includes bonds of a school facilities improvement district the repayment of which is provided for by this chapter and Chapter 2 (commencing with Section 15300).

§ 15271. Authorization to proceed on behalf of specified districts

The governing board of a school district or community college district may proceed pursuant to this chapter on behalf of a school facilities improvement district that is created by and under the exclusive authority of the school district or community college district and act on behalf of the school facilities district as provided pursuant to Chapter 2 (commencing with Section 15300).

§ 15272. Printing of ballot

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. Minute entry

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. Funds for county office

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. Oversight committee

(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. Technical assistance; Open proceedings

(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. Membership of committee

(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. Restraining expenditures; Actions

(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 XIII A 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 XIII A of the California Constitution*.

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

(3) That an expenditure in violation of paragraph (3) of subdivision (b) of *Section 1 of Article XIII A 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. Legislative intent

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.

Exhibit B

Agenda Item

**E.05. Indemnity of Members of Proposition S Independent Citizens Oversight Committee
(Board Governance Policy: GC-5)**

Meeting:	06/23/2009	Preferred:	
Category:	E. BOARD CONSENT AGENDA	Date:	
Agenda Type:	Action (Consent)	Absolute:	
Fiscal Impact:	No	Date:	
Dollar Amount:	\$0.00	Budgeted:	No
		Budget Source:	

Agenda Item Content

RECOMMENDATION: Approval of request for indemnity by members of Independent Citizens Oversight Committee, for actions within the course and scope of their duties as a member of the ICOC, to be subsequently incorporated into Bylaws of the ICOC.

FISCAL IMPACT: None

BACKGROUND:

At a meeting of the ICOC, staff was asked whether the District would indemnify members of the ICOC in the event they were sued, collectively or individually, based on actions and decisions as members of the ICOC. District General Counsel informed the members that he believed they would be covered based on their status as members of a statutory advisory committee appointed by the Board of Education. A review of the Memorandum of Coverage (MOC) with the District's excess insurance carrier confirmed that an indemnity provision for ICOC members would fall within the scope of the District's existing coverage, and the ICOC was informed of this information. Additionally, as "officers" appointed by the Board to a statutorily-mandated committee, the provisions of California law providing for defense and indemnification are arguably applicable to ICOC members even without express action to indemnify. Finally, staff research has revealed that numerous districts in the state have affirmatively agreed to indemnify members of their Proposition 39 bond oversight committees.

The ICOC recently took formal action to request that the Board of Education provide the ICOC with proof of indemnification for their actions as ICOC members. This matter is therefore on the agenda for Board consideration of action to confirm indemnity coverage for ICOC members acting within the course and scope of their duties as members of the ICOC.

[Originator/Contact: Mark Bresee, General Counsel, 619.725.5630,
mbresee@sandi.net]

EXHIBIT C



SAN DIEGO UNIFIED SCHOOL DISTRICT

EUGENE BRUCKER EDUCATION CENTER
4100 Normal Street, San Diego, CA 92103

(619) 725-5550
Fax: (619) 297-5624

OFFICE OF THE SUPERINTENDENT
Director of Board Services

EXCERPT

The following is a report of an item discussed by the Board of Education of the San Diego Unified School District at a regular meeting of said board held at 5:00 p.m., Tuesday, June 23, 2009:

de Beck moved, Evans seconded on recommendation of the Superintendent that board item E.05., Indemnity of Members of Proposition S Independent Citizens Oversight Committee (ICOC), for actions within the course and scope of their duties as a member of the ICOC, be approved.

Ayes: Barrera, de Beck, Evans, Jackson, Nakamura
Nays: None
Absent: None
Abstain: None

I hereby certify the foregoing to be a true report of an action taken as indicated.

Cheryl Ward, Board Action Officer
Board of Education, San Diego Unified School District

July 29, 2009
San Diego, California
062309.2