



**Independent Citizen's  
Oversight Committee**

**An Overview**

Eugene Clark-Herrera



# Citizens' Oversight Committee



- Proposition 39 amended the constitution to permit school districts to issue bonds with a 55% vote, provided that the districts comply with certain accountability requirements.
- These requirements include a bond project list in the measure that limits what proceeds may be spent on, and annual audits to ensure proceeds were correctly accounted for and spent on approved projects.
- The oversight committee is a creature of statute whose task it is to **report to the public on the district's compliance with the constitutional accountability requirements**.
  - no funds may be used for any purpose other than voter approved projects, which may not include **teacher or administrative salaries** or other **school operating expenses**. (However see Cal Ops Atty Gen No. 04-110)
- California Education Code § 15278

# Accountability Requirements



- What are the proposition “**accountability requirements**”?

- Requirement that bond proceeds be used only for “**authorized purposes**” and **not for any other purpose**, including teacher and administrator salaries and other school operating expenses.
- **List of specific projects.**
- Requirement that board has evaluated safety, class size reduction, and information technology needs.
- Requirement that the school board conduct an **annual, independent performance audit**.
- Requirement that the school board conduct **an annual independent financial audit** of the proceeds from the sale of the bonds until all of those proceeds have been expended.  
California Constitution, Article XIII A, Section 1(b)(3)

# Authorized Purposes & Activities



- What may the Citizens' Oversight Committee do to further its purpose?
  - **Receive and review the annual independent performance audit, the annual independent financial audit**, and any deferred maintenance proposals or plans developed by a school district.
  - **Both audits must be submitted to the oversight committee** at the same time they are submitted to the district, and **no later than March 31 of each year.**
  - Inspect school facilities and grounds.
  - Review efforts to maximize bond revenues by implementing cost-saving measures.

California Constitution, Article XIII A, Section 1(b)(3) and California Education Codes § § 15278 and 15286



# Best Practices



- Make **a good faith effort to appoint** a Citizens' Oversight Committee and fill any vacancies to ensure the committee is fully constituted and functioning.
- To provide for consistency and continuity in the Committee's operations and deliberations, request resignation of one or more (but fewer than all) members after one year.
- **Board has a nondelegable responsibility to set policy, establish priority of construction, approve construction contracts, etc.**
- Remember that **the oversight committee's responsibilities are retrospective** (review and report) **and not prospective** (setting policy, pre-approving expenditures).
- Any questions?



orrick