California League of Bond Oversight Committees

Citizens’ Bond Oversight Committee: The Basics of Getting Started

CaLBOC

Government Financial Strategies

Presented by Lori Raineri
April 25, 2017

Presentation materials provided for distribution at the meeting. Please see meeting record for verbal commentary and discussion.
Introductions

◆ Lori Raineri

▶ President & founder, Government Financial Strategies
▶ MSRB Series 50 Qualification
▶ Certified Independent Professional Municipal Advisor
▶ Certified Fraud Examiner
▶ Serves on the Board of State and National Organizations
  • California League of Bond Oversight Committees
  • National Association of Municipal Advisors
▶ Serves as Public Finance Expert for the Los Angeles Metropolitan Transportation Commission’s Measure R Independent Taxpayers Oversight Committee
Agenda

◆ Citizen Bond Oversight and Accountability as described by the *Strict Accountability in Local School Construction Bonds Act of 2000*

▶ Requirements

▶ Tips and Strategies for Success

◆ Citizen Bond Oversight in Action

◆ For Reference
Definition: Accountability

Definition of ACCOUNTABILITY
▶ the quality or state of being accountable; especially: an obligation or willingness to accept responsibility or to account for one’s actions <public officials lacking accountability>
▶ First Known Use of ACCOUNTABILITY
  ● 1770

Government accountability means that public officials – elected and un-elected – have an obligation to explain their decisions and actions to the citizens. Government accountability is achieved through the use of a variety of mechanisms – political, legal, and administrative – designed to prevent corruption and ensure that public officials remain answerable and accessible to the people they serve. In the absence of such mechanisms, corruption may thrive.
Accountability - Traditional Measures

- Financial Reporting
- Financial Auditing
- Performance Auditing
- Comparison of Metrics to Standards
“Strict Accountability . . .

- in Local School Construction Bonds Act of 2000
- Five methods of accountability
  - Citizens’ Oversight Committee
  - Performance Auditing
  - Financial Auditing
  - Court Restraint and Prevention of Any Expenditure of Funds
  - Law Enforcement Pursuit in the Event of Allegation or Misuse of Bond Funds
“Strict Accountability . . .

- in Local School Construction Bonds Act of 2000
- Five methods of accountability
  - Citizens’ Oversight Committee
  - Performance Auditing
  - Financial Auditing
  - Court Restraint and Prevention of Any Expenditure of Funds
  - Law Enforcement Pursuit in the Event of Allegation or Misuse of Bond Funds
Citizens’ Oversight Committee

Purpose

“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.”

Education Code 15278 (b)
Citizens’ Oversight Committee

Purpose

“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.”

Education Code 15278 (b)
Mission: Review

What to review?
- Bond expenditures
- Performance audit
- Financial audit

What to compare against?
- Bond measure
- Bond project list

Tips for reviewing:
- What does each document tell you?
- How are the documents prepared?
- Audits are annual and to be provided by March 31 following the Fiscal Year.
- Responses to audit findings must be provided within 3 months.
Founding Documents

- **Resolution Ordering the Election for Measure, and includes:**
  - Ballot Question – no more than 75 words
  - Full Ballot Text or Full Text of the Measure – 2 to 5 pages
  - Bond Project List – 1 to 3 pages
  - Tax Rate Statement – 1 page

- **California Constitution Article XIII A, Sections 1 through 7**
  - “Tax Limitation”

- **Strict Accountability in Local School Construction Bonds Act of 2000**
  - Education Codes 15264 through 15288 - just 5.25 pages
    - Education Codes 15278 – 15282 – just 2 pages
      - Citizens’ Oversight Committee

- **Possibly, Committee By-Laws**
  - Often created by a bond counsel and imposed by the Board
  - By-laws are not required, and could be at the discretion of the citizens’ bond oversight committee
Ballot Question

Ballot Measures-O

Fountain Valley School District, Basic Repairs and Essential Upgrades for our Students

In order to repair and modernize aging classrooms and school facilities, including repairing deteriorating roofs, plumbing, electrical and air conditioning systems; upgrade classrooms, science labs, libraries, facilities and technology that support student achievement in reading, math, arts, science and technology; and improve student safety and campus security, shall Fountain Valley School District issue $63 million in bonds at rates within legal limits, with independent citizen oversight, no money for administrators, and all money staying local?
The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed.

**Proposition 39 Bond Accountability Measures**

All its June 21, 2016 meeting, the Board of Trustees (the “Board”) certified that it evaluated safety, class size reduction, and information technology needs in developing the list of the Bond Projects set forth below. The proceeds of the Bonds shall be used only for the Bond Projects identified in the list below, and not for any other purpose (i.e., teacher and administrative salaries and other school operating expenses).

The proceeds of the Bonds will be accounted for separately. The Board is bound to conduct financial and performance audits annually to account for the Bond funds and to assure that funds have only been expended on the specific projects authorized.

The Board will appoint a citizens’ oversight committee (the “Citizens’ Oversight Committee”) having a minimum of seven members and including at least one member active in a business organization representing the business community located within the District, one member active in a senior citizens’ organization, one member active in a bona fide taxpayers’ organization, one member who is a parent or guardian of a child enrolled in the District, and one member who is both a parent or guardian of a child enrolled in the District and active in a parent-teacher organization.

**School Facilities Projects to Be Funded with Proceeds of Bonds**

- Safety and Security Improvements that may include, but are not are not limited to:
  - Renovate supporting access to central entrance points, to include fencing.
  - Acquire and implement universal emergency signal and communication systems.
  - Add or remove classrooms and support facilities to reduce over-crowding.
  - Acquire and develop property to reduce over-crowding, improve stakeholder access, and expand high-demand programs such as Science, Technology, Engineering and Mathematics (STEM), Career & Technical Education (CTE), Visual Performing Arts (VPA), etc.
  - Remove hazardous materials, including asbestos, lead-based paint, and other hazardous materials.
  - Upgrade exterior lighting for safety and security as needed.
  - Upgrade or replace heating and ventilation systems as needed to support secured classroom doors during instructional times.

- Science, Technology, Engineering and Mathematics (STEM) facilities, improvements and access:
  - Construct a new Turlock High School Science wing.
  - Construct and/or renovate STEM classrooms that support science and technology laboratories, including necessary furniture and equipment.
  - Develop advanced 21st Century technology classrooms.
  - Renovate facilities to provide new technologies to include wiring of classrooms, library, and student support facilities with internet access and computer networks.
  - Expand Career and Technical Education (CTE) and pathways to include STEM, fabrication, health science, business, and agriculture, food, and natural resources.

- Modernizations and Renovations:
  - Construct improvements to accommodate the disabled to include ramps, pathways, restrooms, and access as required by the State of California to meet requirements of the Americans with Disability Act (“ADA”).
  - Complete improvements and upgrades to meet current health and safety codes, including classrooms, cafeterias, kitchens, and restrooms.
  - Repair and/or replace aging portable classrooms, including use of modular classrooms, in addition to acquiring necessary equipment and furniture.
  - Upgrade electrical systems, including panels, circuit breakers, transformers, wiring, and outlets.
  - Complete all code requirements including installation of new fire hydrants as needed.
  - Repair and renovate school grounds, fields, and playground equipment for safety, including purchase of new equipment if needed.

- Other:
  - Complete site work to support new construction, installation, or removal of relocatable classrooms, including acquisition and utilization of temporary facilities as needed to house displaced students and staff during construction, as well as address any unforeseeable conditions such as dry rot, seismic, etc.
  - Acquire any of the facilities on the Bond Project List through temporary lease or lease-purchase arrangements, or execute purchase option under a lease for any of these authorized facilities.

The cost of all the Bond Projects set forth in the list above may exceed the amount of bonds authorized by Measure O. Approval of the District’s proposal for the school facilities projects may assume receipt of matching state funds, which could be subject to appropriation by the Legislature or approval of a statewide bond measure. The allocation of bond proceeds may also be affected by the final costs of each project.
Bond Project List

EXHIBIT A

MOTHER LODE UNION SCHOOL DISTRICT

BOND PROJECT LIST

Bond funds may be spent on the following projects although there is no guarantee that the bonds will provide sufficient funds to allow completion of all of the following:

- Disability access projects, including improved walkways, stairs and ramps and doorways access
- Student safety and campus security projects, including lighting, fire, alarm and communications systems
- Campus access projects, including revising, expanding and relocating pick-up and drop-off zones, expanding parking lots and reconfiguring the flow of traffic
- Building repair projects, including the repair or replacement of deteriorating roofs, failing or inadequate plumbing, electrical and heating and cooling systems
- Hazardous material removal, such as asbestos and lead paint as needed
- Energy efficiency projects, including improved insulation, doors, and windows
- Aging portable classroom replacement with permanent classrooms
- Classroom repair or improvement projects
- Student support facilities projects, including replacement or expansion of existing performing arts facilities, multi-purpose buildings, school libraries and school site offices
- Instructional technology projects, including cabling, hardware and internet access

The listed projects will be completed as needed. Each project is assumed to include, but is not limited to, appropriate furniture and equipment, architectural, engineering, and similar planning costs, program management, staff training expenses and a customary contingency, and escalation for unforeseen design and construction costs, payment of the costs of preparation of all facility planning, facility studies, assessment reviews, facility master plan preparation and updates, environmental studies (including environmental investigation, remediation and monitoring), design and construction documentation, and temporary housing of dislocated District activities caused by bond projects.

The budget for each project, as defined in the Facility Master Plan is an estimation and may be affected by factors beyond the District’s control. The final cost of each project will be determined as plans are finalized, construction bids are awarded and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating enhanced and operationally efficient campuses. Necessary site preparation/renovation and landscaping, may occur in connection with new construction, renovation or remodeling, or installation or removal of relocatable classrooms, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, redirecting fire access, and acquiring any necessary easements, licenses, or rights of way to the property.

The allocation of bond proceeds may be affected by the District’s receipt of State matching funds and the final costs of each project. In the absence of State matching funds, which the District will pursue to reduce the District’s share of the costs of the projects, the District may not be able to complete some of the projects listed above.

FISCAL ACCOUNTABILITY: IN ACCORDANCE WITH EDUCATION CODE SECTION 15272, THE BOARD OF TRUSTEES WILL APPOINT A CITIZENS’ OVERSIGHT COMMITTEE AND

CONDUCT ANNUAL INDEPENDENT AUDITS TO ASSURE THAT FUNDS ARE SPENT ONLY ON DISTRICT PROJECTS AND FOR NO OTHER PURPOSE. THE EXPENDITURE OF BOND MONEY ON THESE PROJECTS IS SUBJECT TO STRINGENT FINANCIAL ACCOUNTABILITY REQUIREMENTS. BY LAW, PERFORMANCE AND FINANCIAL AUDITS WILL BE PERFORMED ANNUALLY, AND ALL BOND EXPENDITURES WILL BE MONITORED BY AN INDEPENDENT CITIZENS’ OVERSIGHT COMMITTEE TO ENSURE THAT FUNDS ARE SPENT AS PROMISED AND SPECIFIED. THE CITIZENS’ OVERSIGHT COMMITTEE MUST INCLUDE, AMONG OTHERS, REPRESENTATION OF A BONA FIDE TAXPAYERS’ ASSOCIATION, A BUSINESS ORGANIZATION AND A SENIOR CITIZENS’ ORGANIZATION. NO DISTRICT EMPLOYEES OR VENDORS ARE ALLOWED TO SERVE ON THE CITIZENS’ OVERSIGHT COMMITTEE.

NO ADMINISTRATOR SALARIES: PROCEEDS FROM THE SALE OF THE BONDS AUTHORIZED BY THIS PROPOSITION SHALL BE USED ONLY FOR THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION, OR REPLACEMENT OF SCHOOL FACILITIES, INCLUDING THE FURNISHING AND EQUIPPING OF SCHOOL FACILITIES, AND NOT FOR ANY OTHER PURPOSE, INCLUDING TEACHER AND SCHOOL ADMINISTRATOR SALARIES AND OTHER OPERATING EXPENSES.
An election will be held in the General Shafter School District (the “District”) on November 8, 2016, to authorize the sale of up to $7,500,000 in bonds to acquire, construct, furnish and equip a new multi-purpose room, and to repair, renovate, replace, and redesign school district facilities.

If the bonds are authorized and sold, debt service thereon will be payable from the proceeds of tax levies made upon the taxable property in the District. The following information is provided in compliance with sections 9400-9405 of the Elections Code of the State of California. It is anticipated that the District will sell the bonds in a single series.

1. The best estimate of the tax rate which would be required to be levied to fund this bond issue during the first fiscal year after the sale of the bonds, based on estimated assessed valuations available at the time of filing of this statement, is 2.966¢ per $100 ($29.66 per $100,000) of assessed valuation in fiscal year 2017–2018.

2. The best estimate of the highest tax rate which would be required to be levied to fund this bond issue, based on estimated assessed valuations available at the time of filing of this statement, is 2.987¢ per $100 ($29.87 per $100,000) of assessed valuation in fiscal year 2021–2022.

3. The best estimate of the average tax rate which would be required to be levied to fund this bond issue during the life of the bonds, based on estimated assessed valuations available at the time of filing of this statement, is 2.961¢ per $100 ($29.61 per $100,000) of assessed valuation.

4. The best estimate of total debt service, including principal and interest, which would be required to be repaid if all the bonds are issued and sold is $14,045,620. This estimate is based on assumptions regarding future interest rates and the term, timing, structure, and amount of each bond issue.

Voters should note that the estimated tax rates are based on the ASSESSED VALUE of taxable property on Kern County’s official tax rolls, not on the property’s market value. Property owners should consult their own property tax bills to determine their property’s assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon the District’s projections and estimates only, which are not binding upon the District. The actual tax rates, debt service, and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds.
SECTION 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 any of the following:

1) Indebtedness approved by the voters prior to July 1, 1978.

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 or on 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).

(Repealed by Prop. 39. Initiative measure.)
Strict Accountability in Local School Construction Bonds Act of 2000
Organizing the Web Page . . .

- so it can be easily maintained
- so Committee members can operate with their personal computing devices, rather than paper, if they like
Mission: Report

◆ What to report?
  ▶ Conclusions based on review of:
    ● Bond expenditures
    ● Performance audit
    ● Financial audit
  ▶ Advise public on compliance with proper expenditures

◆ Tips for reporting:
  ▶ Report to the community annually
  ▶ Post on the Citizens’ Oversight Committee’s page:
    ● Meeting minutes
    ● Documents received
    ● Annual report
      – May include presenting to the Board of Education

✔ Education Code 15280(b): All citizens’ oversight 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 of the district.
Proper Expenditures

◆ “Proper expenditure” means that expenditures . . .
  ▶ are for 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
    • and conform to list of specific facilities projects to be funded
  ▶ do not include any teacher or administrator salaries or other school operating expenses

◆ References:
  ▶ California Constitution Article XIII A, Section 1 and Education Code 15278 (b)
    • Note: 1978’s Proposition 13 became Article XIII A of the California Constitution
  ▶ Resolution No. 2017-08 of the Board of Trustees Ordering a School Bond Election on November 8, 2016 and Authorizing Necessary Actions in Connection Therewith
    • Note: Includes ballot question and project list
Overseeing Requires Action

Peanuts

The Dog Who Never Did Anything

“You stay home now,” they said, “and be a good dog.”

So he stayed home, and was a good dog.

Then he decided to be even a better dog so he barked at everyone who went by.

And he even chased the neighbor’s cats.

“What’s happened to you?” they said. “You used to be such a good dog.”

So he stopped barking and chasing cats, and everyone said, “You’re a good dog.”

The moral is, “Don’t do anything, and you’ll be a good dog.”
Overview of 1st Year Process

- Recruit Committee members.
- Possible commitment of 4 meetings per year?
- Cannot be employee, official, contractor, vendor, or consultant of District.
- Board of Trustees appointed members to Committee on August 28, 2017.
- Board of Trustees may continue to appoint additional members when needed.
- Web page for Committee activities and materials established.
- Meeting notices posted.
- Post notices of other Committee activities such as tours or special invitations to attend a Board Meeting.
- Committee purpose and roles reviewed.
- Oversight process established.
- Web page for Committee activities and materials established.
- Meeting notices posted.
- Post notices of other Committee activities such as tours or special invitations to attend a Board Meeting.
- Committee can begin to review expenditures.
- Overview of bond measure, bond projects, and bond issuance.
- Financial audit completed.
- Performance audit completed.
- Both audits provided to Committee.
- Review audit reports.
- Hear District response to any audit findings.
- Committee develops and agrees on annual report to the public.
- Annual report posted on web page.
- Committee members may present report to Board of Trustees.

Optional Committee activities:
- School tours.
- Updates on facilities planning.
  Updates can be provided by inviting Committee members to attend relevant Board meetings.
Making Committee Meetings Valuable

- Asking questions communally is particularly productive
How is Oversight Accomplished?

◆ Review and report
  ▶ The Oversight Committee reviews expenditures to ensure that they are compliant with the law and the project list, and reports its findings to the community
◆ Practically, “review and report” seems to require at least 2 meetings per year (one to review, one to report)
  ▶ Some bond oversight committees meet as frequently as once per month
  ▶ Frequency can be variable, e.g. only one meeting may be needed in the first six months but may increase to once per month when construction starts then decrease to once per quarter as construction is underway
    • this can be determined by the Oversight Committee
Focus Not on Who But What . . .

- How large is the District compared to others?
  - How many people work in the business department?
  - How many people work in the facilities department
- How do roles and departments interact?
- What are the reporting relationships?
- How does the Chief Business Official keep tabs?
  - Methods
  - Timing
- What is the role of the:
  - Board?
  - Superintendent?
- What does this information tell me?
- How would I know if it’s wrong?
- Finally, read (or at least review) the key documents of the District.

**Key Documents**
- Budget
- Audit Report
- Facilities Master Plan
- Developer Fee Justification Report
- Bond Financial Audit Report
- Bond Performance Audit Report
BOC Should Improve Outcomes

- Why not let everyone who wants to participate do so?
  - Minimum 7 members with 5 fulfilling required demographics.
- Procedures should be oriented to meeting the letter of the law and be meaningful in terms of better results by some measure.
- Procedures should be documented and periodically reconsidered.
- Procedures should not be written by an outside consultant.
  - Procedures should be written by the Citizens’ Bond Oversight Committee and District staff, together.
    - This will help to avoid technical violations of archaic rules.

☑ Oversight should be made feasible and produce an improved outcome:
  - Efficient citizen oversight for routine decisions
  - Community support for difficult decisions
  - Positive relationships and community cohesiveness
Making Our Place The Best It Can Be

I SEE YOU DECIDED NOT TO LEAVE HOME...

I HAD TO... I WALKED ALL THE WAY AROUND THE BLOCK...

MY LIFE DIDN'T GET ANY BETTER SO I CAME HOME...

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California League of Bond Oversight Committees- Page 27
Resources

Accountability Resources Readily Available:

- California League of Bond Oversight Committees:
  - http://www.calboc.org
- California Debt Investment and Advisory Commission:
  - http://www.treasurer.ca.gov/cdiac/
- Municipal Securities Rulemaking Board:
  - http://www.msrb.org
- Securities and Exchange Commission:
- University of Santa Clara Markkula Center for Applied Ethics:
  - http://www.scu.edu/ethics/practicing/focusareas/government_ethics/
Basic Next Steps Following First Meeting

- Mission: Review and Report
- Develop Procedures
- Create Web Site/Page

- Periodic Meetings
  - Frequency?
  - Record meeting minutes
  - Post materials on District website

- Annually:
  - Review performance audit
  - Review financial audit
  - Prepare annual report

- Next Meeting: ________________
Questions?

*Thank you!*
For Reference

- Oversight Committee Member Criteria
- Citizen Oversight Activities
Oversight Committee Member Criteria

15282. (a) The citizens’ oversight committee shall consist of at least seven members who shall serve for a minimum term of two years without compensation and for no more than three 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 school district or community college 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 school district. For a community college district, one member shall be a student who is both currently enrolled in the community college district and active in a community college group, such as student government. The community college student member may, at the discretion of the governing board of the community college district, 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 school 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) An employee or official of the school district or community college district shall not be appointed to the citizens’ oversight committee. A vendor, contractor, or consultant of the school district or community college district shall not 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 Chapter 1 of Division 4 of Title 1 of the Government Code.

(Amended by Stats. 2013, Ch. 76, Sec. 27. Effective January 1, 2014.)
Detailed List of Potential Activities

Education Code 15278(c):

(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.

(Added by Stats. 2000, Ch. 44, Sec. 3. Effective January 1, 2001.)