

AMENDED AND RESTATED
CITIZENS' BOND OVERSIGHT COMMITTEE
BYLAWS

Section 1. Committee Established. The Long Beach Community College District (the "District") was successful at the elections conducted on (i) February 5, 2008, in obtaining authorization from the District's voters to issue up to \$440,000,000 aggregate principal amount of the District's general obligation bonds ("Measure E") and (ii) June 7, 2016, in obtaining authorization from the District's voters to issue up to \$850,000,000 aggregate principal amount of the District's general obligation bonds ("Measure LB"), each pursuant to fifty-five percent (55%) vote. 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"). The Board of Trustees of the Long Beach Community College District (the "Board") hereby establishes and confirms the Citizens' Bond Oversight Committee (the "Committee") which shall have the duties and rights set forth in these Bylaws.

Section 2. Purposes. The purposes of the Committee shall be those purposes 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 set forth in Prop 39.

The proceeds of general obligation bonds issued pursuant to the two elections are hereinafter referred to as "Bond proceeds." The Committee shall confine itself specifically to bond proceeds generated under Measure E and Measure LB. 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 only 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 consensus view of the Committee.

3.2 **Review Expenditures.** The Committee shall review expenditure reports produced by the District to ensure that (a) Bond proceeds are expended only for the purposes set forth in the respective ballot measure; and (b) no Bond proceeds are used for any teacher or administrative salaries or other operating expenses of the District, in accordance with 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 written report which shall include the following:

- (a) A statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution; and
- (b) A summary of the Committee's proceedings and activities for the preceding year.

3.4 Duties of the Board and/or Superintendent/President. Either the Board or 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:

- (a) Approval of contracts,
- (b) Approval of change orders,
- (c) Appropriation of bond funds,
- (d) Handling of all legal matters.
- (e) Approval of project plans and schedules,
- (f) Approval of deferred maintenance plans, and
- (g) Approval of the sale of bonds.

3.5 Measure E and Measure LB 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, certificates of participation, lease/revenue bonds, the general fund, the capital outlay fund or the sale of surplus property without Bond proceeds.
- (b) The establishment of priorities and order of construction for the bond projects, which shall be made by the Superintendent/President after consultation with the established planning committees on campus.
- (c) The selection of architects, engineers, soils engineers, construction managers, project managers and such other professional service firms as are required to complete the project based on District criteria.
- (d) The approval of the design for each project including exterior materials, paint color, interior finishes, site plan and construction methods which shall be determined by the District.
- (e) The selection of the independent performance audit firm and/or the independent financial audit firm.

Section 4. Authorized Activities.

4.1 In order to perform the duties set forth in Section 3, the Committee may engage in the following authorized activities:

(a) Receive and review copies of the District’s annual independent performance audit and annual independent financial audit as 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 Director of Facilities.

(c) Review copies of scheduled maintenance plans developed by the District.

(d) Review efforts implemented by the District to maximize Bond proceeds resulting in cost-saving measures.

4.2 Make requests for copies or inspection of District records in writing to the District’s Director of Facilities.

Section 5. Membership.

5.1 Number. The Committee shall consist of a minimum of 9 members appointed by the Board based on criteria established by Prop 39, as described below. Appointments will be made through the following process: (a) appropriate local groups will be solicited for applications, (b) the District will advertise for members in local newspapers and the District website, (c) the Superintendent/President, or designee, the Board President, and the Chair of the Committee will review the applications, and (d) the Superintendent/President will make a recommendation to the Board. The District may appoint additional at-large members by Board action.

One (1) student enrolled in the District and active in a community college support group.

One (1) member active in the local business community.

One (1) member active in a senior citizen’s organization.

One (1) member active in a bona-fide taxpayers’ association.

One (1) member active in a support organization for the college.

Four (4) members of the community at large appointed by the Board.

5.2 Qualification Standards.

(a) To be a qualified person, he or she must be at least 18 years of age and reside within the District’s geographic boundary, in accordance with Government Code Section 1020.

(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. By accepting appointment to the Committee, each member agrees to comply with Articles 4 (commencing with Section 1090) and 4.7 (commencing with Section 1125) of Division 4 of Title 1 of the Government Code and the Political Reform Act (Gov. Code §§ 81000 *et seq.*), and to complete the Form 700 as required by all “designated employees” of the District. Additionally, each member shall comply with the Committee Ethics Policy attached as Attachment A to these Bylaws.

5.4 Term. Except as otherwise provided herein, each member shall serve a term of two (2) years, beginning on the date of adoption of these Bylaws. No member may serve more than three (3) consecutive terms.

The student member active in a community college support group, referenced in Section 5.1, will automatically be filled by the current student body president for the term of the student’s office as Associated Student Body President.

5.5 Removal; Vacancy. The Board may remove any Committee member for cause, including failure to attend three consecutive Committee meetings 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. Every effort shall be made to fill vacancies within 90 days of a vacancy.

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

5.7 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) Committee and its members shall have the right to request and receive copies of reports and records relating to Measure E and Measure LB projects which have been prepared for the Board and which have become a public record.

Section 6. Meetings of the Committee.

6.1 Regular Meetings. The Committee shall establish a schedule for the date and time of regular meetings to be held periodically, and to include an annual organizational meeting to be held at the first meeting during the fiscal year. Meetings of the Committee shall be scheduled and held in compliance with the District’s Citizens’ Oversight Committee Meeting Policy, attached as Attachment B hereto and incorporated by reference herein.

6.2 Location. All meetings shall be held at Long Beach City College, located in Long Beach, California, or at some other location within the District freely accessible to the public, as may be designated by the Committee on the particular agenda.

6.3 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 except adjournment.

Section 7. District Support.

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

- (a) preparation of and posting of public notices as required by the Brown Act, ensuring that all notices to the public are provided in the same manner as notices regarding meetings of the District Board;
- (b) provision of a meeting room, including any necessary audio/visual equipment;
- (c) preparation and copies of any documentary meeting materials, such as agendas and reports; and
- (d) retention of Committee records, and providing public access to such records on an Internet website maintained by the District.

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

7.3 No Bond proceeds of either Measure E or Measure LB may be used to provide District support of the Committee.

Section 8. Reports. As part of the Annual Report required in Section 3.2, the Committee shall report to the Board at least annually 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 Committee shall elect a chair, a vice-chair who shall act as chair only when the chair is absent, and a secretary, which positions shall continue for two (2) year terms. No person shall serve as Chair for more than three consecutive terms.

Section 10. Amendment of Bylaws. Any amendment to these Bylaws shall be approved by a two-thirds vote of the entire Board.

Section 11. Termination. The Committee shall automatically terminate and disband at the earlier of the date when (a) all Bond proceeds are spent, or (b) all projects funded by Bond proceeds are completed.

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ATTACHMENT A

CITIZENS' BOND OVERSIGHT COMMITTEE

ETHICS POLICY STATEMENT

This Ethics Policy Statement provides general guidelines for Committee members to follow in carrying out their roles. Not all ethical issues that Committee members face are covered in this Statement. However, this Statement captures some of the critical areas that help define ethical and professional conduct for Committee members. The provisions of this Statement were developed from existing laws, rules, policies and procedures as well as from concepts that define generally accepted good business practices. Committee members are expected to strictly adhere to the provisions of this Ethics Policy.

POLICY

- **CONFLICT OF INTEREST.** A Committee member shall not make or influence a District decision related to: (1) any contract funded by Bond proceeds or (2) any District 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 District 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 an agreement concerning current or future employment, or remuneration of any kind. For a period of two (2) years after leaving the Committee, a former Committee member may not represent any person or organization for compensation in connection with any matter pending before the District that, as a Committee member, he or she participated in personally and substantially. Specifically, for a period of two (2) years after leaving the Committee, a former Committee member and the companies and businesses for which the member works shall be prohibited from contracting with the District with respect to: (a) bidding on projects funded by Bond proceeds; and (b) any District 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 Long Beach 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.

ATTACHMENT B

LONG BEACH COMMUNITY COLLEGE DISTRICT CITIZENS' OVERSIGHT COMMITTEE

MEETING POLICY

The Citizens' Oversight Committee (COC) is assigned the responsibility to monitor spending of the Measure E and Measure LB Bond funds and report inappropriate expenditures of such funds. In doing so, the COC will hold public meetings as often as deemed necessary to fulfill its duties herein.

The mandatory meetings will be held in January and August. These months are selected since they follow the completion of the annual audits and beginning of the fiscal year, respectively. The COC will receive quarterly expenditure reports for those quarters not covered during one of the mandatory meetings and will ratify all quarterly expenditure reports at the meetings.

Holding only two mandatory meetings does not preclude the COC from holding additional meetings. A special meeting will be called by the District if any of the following events occur and a mandatory meeting isn't already scheduled within a month:

1. In any given quarter when the expenditures exceed \$30 million.
2. In any given quarter when the District is notified by the auditors of major issues they have uncovered during their audit that they recommend be addressed immediately.
3. In any given quarter when an adverse tax opinion or event occurs affecting the tax exempt status of the bonds and/or notes.
4. In any given quarter that a taxpayer files a lawsuit alleging waste or misuse of funds.

Moreover, a special meeting may be called by the COC Chair at any time for any reason. Additionally, any four members of the COC may request the COC Chair to call a special meeting. The form of such request may be via email or a hard copy memo to both the COC Chair and the Vice President, Administrative Services.