

CITIZENS' BOND OVERSIGHT COMMITTEE (CBOC) HANDBOOK

Welcome to the Citizens' Bond Oversight Committee (CBOC). This handbook provides a summary of the roles and responsibilities of CBOC members and the committee. It is a starting point for new members and serves as an outline during the Onboarding meeting. Details and in depth information is available on the East Side Union High School District bond website: www.thebond.esuhsd.org

INTRODUCTION:

[Proposition 39](#) is a Constitutional Amendment that allows property tax increases for school facility bonds to pass based on a 55% vote rather than the required two-thirds vote of the local electorate.

With this change, Proposition 39 requires school districts to seat a Citizens' Bond Oversight Committee (CBOC) to assure the community that bond funds are expended in the fashion outlined in the district's bond resolution.

CITIZENS' BOND OVERSIGHT COMMITTEE (CBOC):

Citizens' Bond Oversight Committee (CBOC) is an independent oversight committee made up of volunteers from the community and appointed by the East Side Union High School District Governing Board. The purpose of the committee is to inform the public concerning the expenditure of bond revenues and actively review and report on the proper expenditure of taxpayers' money for school construction.

The committee shall consist of at least seven (7) members representing the community in six (6) categories as follows:

- Business organization representing the business community located within the district.
 - Senior citizens' organization.
 - Bona fide taxpayers' organization.
 - Parent or guardian of a child enrolled in the district.
 - Parent or guardian of a child enrolled in the district and active in a parent-teacher organization.
 - Community At Large
- ◇ No employee or official of the district shall be appointed to the CBOC. No vendor, contractor, or consultant of the district shall be appointed to the CBOC.

Overview of Responsibilities:

- Accepting and reviewing Performance and Financial Audit reports
- Touring school facilities
- Reviewing efforts by the school district to maximize bond revenues by implementing cost--saving measures.
- Meeting at least four (4) times a year. The district shall provide any necessary technical assistance, administrative assistance and resources to meet and publicize the conclusions of the CBOC.
- Presenting an annual report summary of its findings to the Governing Board and assisting in promoting the report to the community

View the [CBOC By-laws](#) for detailed information on the roles and responsibilities of the CBOC. Available on the East Side Union High School District website > Capital Planning and Development > Bond Measures

BUDGET & EXPENDITURE REPORTS:

Budget and Expenditure Reports are presented to the committee at each meeting. These reports detail and summarize spend on all Bond measures. Additionally, a summary of the overall budget, including the total remaining contract commitments, total expenditures, and total remaining site allocation are provided for committee review.

Reports are provided at each meeting and committee members and district staff will work together to ensure that reports are clear and concise for all members.

Example on How to Read the Report:

COLUMNS

PROJECT NO.			SCHOOL SITE - PROJECT NAME	BOARD APPROVED ALLOCATION	CONTRACT COMMITMENTS	EXPENDITURES	CONTRACT COMMITMENT BALANCE	REMAINING SITE ALLOCATION
G	Site #	001	Site Modernization	\$100,000.00	\$100,000.00	(\$100,000.00)	\$0.00	\$0.00
G	Site #	601	Site Student Union Building	\$50,000.00	\$25,000.00	\$0.00	\$25,000.00	\$25,000.00
SUBTOTAL				\$150,000.00	\$125,000.00	(\$100,000.00)	\$25,000.00	\$25,000.00
E	Site #	001	Site New Construction	\$200,000.00	\$0.00	\$0.00	\$0.00	\$200,000.00
E	Site #	601	Site Student Union Building	\$20,000.00	\$0.00	\$0.00	\$0.00	\$20,000.00
E	Site #	XXX	Site Uncommitted Project Funds	\$5,000.00	\$0.00	\$0.00	\$0.00	\$5,000.00
SUBTOTAL				\$225,000.00	\$0.00	\$0.00	\$0.00	\$225,000.00
I	Site #	001	Site Door Replacement	\$40,000.00	\$0.00	\$0.00	\$0.00	\$40,000.00
I	Site #	601	Site Student Union Building	\$10,000.00	\$0.00	\$0.00	\$0.00	\$10,000.00
SUBTOTAL				\$50,000.00	\$0.00	\$0.00	\$0.00	\$50,000.00
26	Site #	001	Site Floor Replacement	\$30,000.00	\$0.00	\$0.00	\$0.00	\$30,000.00
26	Site #	601	Site Student Union Building	\$10,000.00	\$0.00	\$0.00	\$0.00	\$10,000.00
SUBTOTAL				\$40,000.00	\$0.00	\$0.00	\$0.00	\$40,000.00
GRAND TOTAL				\$465,000.00	\$125,000.00	(\$100,000.00)	\$25,000.00	\$340,000.00

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| <p>① General Obligation Bond Measures: G, E, I, Tech I (IT), Z (26)</p> <p>② 3-Digit Site #: XXX</p> <p>③ 3-Digit Project Identifier: XXX</p> <p>④ Site - Project Name</p> | <p>⑤ Board Approved Project Budget</p> <p>⑥ Project Funds Committed to Vendors</p> <p>⑦ Funds Already Paid Out to Vendors From Committed Amount</p> <p>⑧ Balance of Project Funds Committed to Vendors (column 6 + 7)</p> <p>⑨ Balance of Board Approved Project Budget (column 5 - 6)</p> |
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CBOC ONBOARDING NEW MEMBER BEST PRACTICE

The purpose of this Best Practice is to welcome and assist new CBOC members by:

- 1) Discussing the role of members and the responsibilities of the CBOC
- 2) Reducing stress or anxiety of new or incoming members
- 3) Providing an understanding and adherence to meeting procedures and
- 4) processes
- 5) Connecting new member with Chair, Vice Chair or seasoned member

Benefits:

- Allow new members to participate and contribute earlier
- Encourage open dialogue
- Improve overall recruitment and marketing
- Improve retention

Method:

- Chair will schedule Onboarding meeting with new member
 - Meeting should include two current members consisting of the Chair, Vice Chair or seasoned member.
 - Meeting should occur after the new members first attended CBOC meeting and prior to the next CBOC scheduled meeting.
- Review Key Concepts:
 - [the Brown Act](#), [Robert's Rules of Order](#), educational bond funding, the organizational, structure of the district's bond management and the importance of focusing on performance and financial audits in order to best assess the health of the program.

CBOC MEMBER IMPROVEMENT BEST PRACTICE

The purpose of this **Best Practice** is to encourage member engagement and increase members' knowledge and understanding of the bond program.

Suggestions:

- Additional study sessions
- Meeting after the election of new Chairperson and/or Vice Chair to assist with transition
- Updates or in depth discussions from key individuals in the bond program so members can gain a deeper knowledge of finance, construction trends, etc.
- Updates or in depth discussions from other committee members (subject matter experts) so members can learn from each other.
- Attend annual conference of the California Association of Bond Oversight Committees ([CABOC](#))
- Encourage current members to participate in the onboarding process, subcommittees, outreach, marketing of annual reports, and in the CABOC.
- Continue to tour current construction projects in various stages of the process.
- Visit completed projects after they have been opened and in use to review the success of the project
- Increase involvement with the CABOC
- Connect with other Bond Oversight Committees for support and resources

MEMBERS OF 2021 - 2022 COMMITTEE:

Category	Name
Bona Fide Taxpayers Association:	Mr. Patrick Traynor
Business Organization:	Mr. Raymond Mueller
Community-At-Large:	Ms. Abigail Cruz-Meadows
Community-At-Large:	Mr. Barry Schimmel – Committee Chair
Parent Active in Parent-Teacher Organization:	Ms. Debbie Hermange (Mt. Pleasant)
Parent of ESUHSD Student(s):	Mr. Christopher Roberts (Evergreen Valley)
Senior Citizen Organization:	Ms. Melissa Got-Lopez - Committee Vice Chair
* Alternate Member:	TBD

* Alternate Member: The alternate member may attend all meetings. The alternate member's responsibility is to temporarily substitute, with full voting powers, for any Committee member who is absent from a meeting and who is an at-large member (i.e., member not appointed to the Committee to represent any one of the five categories of representation in Education Code section 15282(a)(1) – (5)).

ESUHSD PERSONNELS:

Name	Title
Jeremy Bright	Project Manager
Bryan Do	Board Member
Glenn Vander Zee	Superintendent
TBD	Senior Project Manager
TBD	Associate Superintendent of Business Services
Kelly Kwong	Senior Manager of Internal Audits
Kathy Lanford	Assistant Project Manager
Julio Lucas	Senior Manager of the Bond Program
Brandie Mayhew	Director of Bond Purchasing & Contracts
Cathy Nguyen	Capital Budget Manager
Nhu Nguyen	Bond Communications & Document Controller
Sandy Nguyen	Construction Bond Program Controls Manager
Tu Nguyen	Capital Projects Purchasing Manager
Tuyen Nguyen	Project Manager
Randy Phelps	Chief Technology Officer
Moises Soto	Program Analyst I
Shelby Tran	Administrative Assistant

FREQUENTLY ASKED QUESTIONS

What is a general obligation bond? Can bond funds be used for teacher or administrative salaries?

General obligation bonds fund projects such as the renovation of existing classrooms and school facilities, as well as construction of new schools and classrooms. Similar to a home loan, general obligation bonds are typically repaid over 30 years. The loan repayment comes from a tax on all taxable property – residential, commercial, agricultural and industrial – located in the District.

What is the Citizens' Bond Oversight Committee and why does it matter to me? How can I be sure that general bond obligation funds will be spent on improving our schools?

As required by Education Code Section 15278, the District appoints a committee of local residents, whose main charge is to inform the public about how the bond dollars are being spent. The committee, known as the Citizens' Bond Oversight Committee, actively reviews and reports on the expenditure of taxpayer's money for school construction to ensure that bond funds are spent in accordance with the Bond language. The committee is composed of volunteers who represent specific constituencies, such as senior citizens, parents, businesses, or the community-at-large. This additional oversight is important because you pay for these bonds as part of your property taxes.

How can I be sure that general bond obligation funds will be spent on improving our schools?

Each year, a fiscal and performance audit of bond expenditures is conducted. The audits verify that East Side complied in all material respects with bond measure requirements to expend proceeds only on the school facilities projects specified in the bond measure legislation. The CBOC is responsible for reviewing the audit reports and is required to present this information to the public each year. The public may also attend the CBOC meetings or join the committee to partake in the reviewing process.

How are construction management, architects/ engineers, contractors and professional consultants for bond projects selected?

District administration defines specific requirements, and then solicits proposals from qualified companies willing to work on a project. Contract award recommendations are brought to the Board of Trustees for final approval. The Board makes every effort to ensure all bond-related opportunities are open, fair and competitive.

Why do the costs of the projects often fluctuate from the original estimated costs?

Construction costs change depending on the cost of materials and the current economy. When the prices of raw materials such as steel or copper wiring rise, it can dramatically increase the cost of the project. Also if there are a lot of construction projects underway in the area, it can result in strained labor resources and bids tend to come in higher.

Are projects presented to the CBOC prior to any work? Or is the CBOC presented with a general list and "keep in the loop" of how things are progressing?

CBOC members are told of future projects and presented with continuing/completed projects.

What happens if there are questions or CBOC does not agree with a project?

Role of the member is not to decide which projects get done.