

## **Regulation 7214: General Obligation Bonds**

**Original Adopted Date: 2/14/2024**

### **Election Notice**

Whenever the Governing Board orders an election on the question of whether general obligation bonds shall be issued to pay for school facilities, the Superintendent or designee shall ensure that election notice and ballot requirements comply with Education Code 15120-15126 and 15272, as applicable.

### **Citizens' Oversight Committee**

If a bond is approved under the 55 percent majority threshold pursuant to Proposition 39 (Article 13A, Section 1(b)(3) and Article 16, Section 18(b) of the California Constitution), then the district's citizens' oversight committee shall consist of at least seven members, including, but not limited to: (Education Code 15282)

1. One member active in a business organization representing the business community located within the district
2. One member active in a senior citizens organization
3. One member active in a bona fide taxpayers' organization
4. One member who is a parent/guardian of a district student
5. One member who is a parent/guardian of a district student and is active in a parent-teacher organization, such as the Parent Teacher Association or school site council

Members of the citizens' oversight committee shall be subject to the conflict of interest prohibitions regarding incompatibility of office pursuant to Government Code 1125-1129 and financial interest in contracts pursuant to Government Code 1090-1099. (Education Code 15282)

No employee, Board member, vendor, contractor, or consultant of the district shall be appointed to the citizens' oversight committee. (Education Code 15282)

Members of the citizens' oversight committee may serve for no more than three consecutive terms of two years each. They shall serve without compensation. (Education Code 15282)

The purpose of the citizens' oversight committee shall be to inform the public concerning the expenditure of bond revenues. The committee shall actively review and report on the proper expenditure of taxpayers' money for school construction and shall convene to provide oversight for, but not limited to, the following: (Education Code 15278)

1. Ensuring that bond revenues are expended only for the purposes described in Article 13A, Section 1(b)(3) of the California Constitution including 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

2. Ensuring that, as prohibited by Article 13A, Section 1(b)(3)(A) of the California Constitution, no funds are used for any teacher and administrative salaries or other school operating expenses

In furtherance of its purpose, the committee may engage in any of the following activities:  
(Education Code 15278)

1. Receiving and reviewing copies of the annual, independent performance and financial audits required by Article 13A, Section 1(b)(3)(C) and (D) of the California Constitution
2. Inspecting school facilities and grounds to ensure that bond revenues are expended in compliance with the requirements of Article 13(A), Section 1(b)(3) of the California Constitution
3. Receiving and reviewing copies of any deferred maintenance proposals or plans developed by the district
4. Reviewing efforts by the district to maximize bond revenues by implementing cost-saving measures, including, but not limited to, 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 school site design
  - e. Recommendations regarding the use of cost-effective and efficient reusable facility plans

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 the committee's purpose and sufficient resources to publicize the committee's conclusions. (Education Code 15280)

All citizens' oversight committee proceedings shall be open to the public and noticed in the same manner as proceedings of the Board. Committee meetings shall be subject to the provisions of the Ralph M. Brown Act. (Education Code 15280; Government Code 54952)

The citizens' oversight committee shall issue regular reports, at least once a year, on the results of its activities. Minutes of the proceedings and all documents received and reports issued shall be a matter of public record and shall be made available on the district's web site. (Education Code 15280)

## **Reports**

Within 30 days after the end of each fiscal year, the district shall submit to the County Superintendent of Schools a report concerning any bond election(s) containing the following information: (Education Code 15111)

1. The total amount of the bond issue, bonded indebtedness, or other indebtedness involved

2. The percentage of registered electors who voted at the election
3. The results of the election, with the percentage of votes cast for and against the proposition

---

**Policy Reference Disclaimer:**

These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

| <b>State</b>                           | <b>Description</b>                                                         |
|----------------------------------------|----------------------------------------------------------------------------|
| CA Constitution Article 13A, Section 1 | <a href="#">Tax limitation</a>                                             |
| CA Constitution Article 16, Section 18 | <a href="#">Debt limit</a>                                                 |
| Ed. Code 15100-15254                   | <a href="#">Bonds for school districts and community college districts</a> |
| Ed. Code 15264-15288                   | <a href="#">Accountability in local school construction</a>                |
| Ed. Code 17577                         | <a href="#">Sewers and drains</a>                                          |
| Ed. Code 47614                         | <a href="#">Charter school facilities</a>                                  |
| Ed. Code 7054                          | <a href="#">Use of district property; campaign purposes</a>                |
| Elec. Code 1090-1099                   | Prohibitions applicable to specified officers                              |
| Elec. Code 1125-1129                   | Incompatible activities                                                    |
| Elec. Code 15372                       | <a href="#">Elections official certificate</a>                             |
| Elec. Code 324                         | <a href="#">General election</a>                                           |
| Elec. Code 328                         | <a href="#">Local election</a>                                             |
| Elec. Code 341                         | <a href="#">Primary election</a>                                           |
| Elec. Code 348                         | <a href="#">Regular election</a>                                           |
| Elec. Code 356                         | <a href="#">Special election</a>                                           |
| Elec. Code 357                         | <a href="#">Statewide election</a>                                         |
| Elec. Code 53506-53509.5               | General obligation bonds                                                   |
| Elec. Code 53580-53595.5               | Bonds                                                                      |
| Elec. Code 54952                       | Definition of legislative body; Brown Act                                  |
| Gov. Code 8855                         | <a href="#">California Debt and Investment Advisory Commission</a>         |
| <b>Federal</b>                         | <b>Description</b>                                                         |
| 17 CFR 240.10b-5                       | Prohibition against fraud or deceit                                        |
| 17 CFR 240.15c2-12                     | Municipal securities disclosure                                            |
| <b>Management Resources</b>            | <b>Description</b>                                                         |
| Attorney General Opinion               | 87 Ops.Cal.Atty.Gen. 157 (2004)                                            |
| Attorney General Opinion               | 88 Ops.Cal.Atty.Gen. 46 (2005)                                             |
| Attorney General Opinion               | 99 Ops.Cal.Atty.Gen. 18 (2016)                                             |

|                                               |                                                                                                                                             |
|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| Court Decision                                | San Lorenzo Valley Community Advocates for Responsible Education v. San Lorenzo Valley Unified School District, (2006) 139 Cal.App.4th 1356 |
| CSBA Publication                              | California's Challenge: Adequately Funding Education in the 21st Century, December 2015                                                     |
| CSBA Publication                              | Legal Guidelines: Use of Public Resources for Ballot Measures and Candidates, Fact Sheet, February 2011                                     |
| CSBA Publication                              | Bond Sales - Questions and Considerations for Districts, Governance Brief, December 2012                                                    |
| Gov. Finance Officers Association Publication | Debt Management Policy, Best Practice, October 2012                                                                                         |
| Gov. Finance Officers Association Publication | Investment of Bond Proceeds, Best Practice, September 2014                                                                                  |
| Gov. Finance Officers Association Publication | Selecting and Managing Municipal Advisors, Best Practice, February 2014                                                                     |
| Gov. Finance Officers Association Publication | Understanding Your Continuing Disclosure Responsibilities, Best Practice, September 2015                                                    |
| Gov. Finance Officers Association Publication | Analyzing and Issuing Refunding Bonds, Best Practice, February 2011                                                                         |
| Gov. Finance Officers Association Publication | An Elected Official's Guide to Debt Issuance, 2nd Ed., 2016                                                                                 |
| Website                                       | <a href="#">CSBA District and County Office of Education Legal Services</a>                                                                 |
| Website                                       | <a href="#">Government Finance Officers Association</a>                                                                                     |
| Website                                       | <a href="#">Municipal Security Rulemaking Board, Electronic Municipal Market Access (EMMA)</a>                                              |
| Website                                       | <a href="#">California Debt and Investment Advisory Commission</a>                                                                          |
| Website                                       | <a href="#">Department of General Services, Office of Public School Construction</a>                                                        |
| Website                                       | <a href="#">California Department of Education</a>                                                                                          |
| Website                                       | <a href="#">CSBA</a>                                                                                                                        |

## Cross References

| Code | Description                                |
|------|--------------------------------------------|
| 0420 | <a href="#">School Plans/Site Councils</a> |
| 0420 | <a href="#">School Plans/Site Councils</a> |
| 0440 | <a href="#">District Technology Plan</a>   |
| 0440 | <a href="#">District Technology Plan</a>   |
| 0450 | <a href="#">Comprehensive Safety Plan</a>  |
| 0450 | <a href="#">Comprehensive Safety Plan</a>  |

|             |                                                                |
|-------------|----------------------------------------------------------------|
| 1113        | <a href="#"><u>District And School Websites</u></a>            |
| 1113        | <a href="#"><u>District And School Websites</u></a>            |
| 1113-E(1)   | <a href="#"><u>District And School Websites</u></a>            |
| 1160        | <a href="#"><u>Political Processes</u></a>                     |
| 1220        | <a href="#"><u>Citizen Advisory Committees</u></a>             |
| 1220        | <a href="#"><u>Citizen Advisory Committees</u></a>             |
| 1230        | <a href="#"><u>School-Connected Organizations</u></a>          |
| 1230        | <a href="#"><u>School-Connected Organizations</u></a>          |
| 1330.1      | <a href="#"><u>Joint Use Agreements</u></a>                    |
| 1340        | <a href="#"><u>Access To District Records</u></a>              |
| 1340        | <a href="#"><u>Access To District Records</u></a>              |
| 3460        | <a href="#"><u>Financial Reports And Accountability</u></a>    |
| 3460        | <a href="#"><u>Financial Reports And Accountability</u></a>    |
| 3470        | <a href="#"><u>Debt Issuance And Management</u></a>            |
| 3580        | <a href="#"><u>District Records</u></a>                        |
| 3580        | <a href="#"><u>District Records</u></a>                        |
| 6151        | <a href="#"><u>Class Size</u></a>                              |
| 7110        | <a href="#"><u>Facilities Master Plan</u></a>                  |
| 7210        | <a href="#"><u>Facilities Financing</u></a>                    |
| 7213        | <a href="#"><u>School Facilities Improvement Districts</u></a> |
| 9270        | <a href="#"><u>Conflict Of Interest</u></a>                    |
| 9270-E(1)   | <a href="#"><u>Conflict Of Interest</u></a>                    |
| 9320        | <a href="#"><u>Meetings And Notices</u></a>                    |
| 9323.2      | <a href="#"><u>Actions By The Board</u></a>                    |
| 9323.2-E(1) | <a href="#"><u>Actions By The Board</u></a>                    |
| 9323.2-E(2) | <a href="#"><u>Actions By The Board</u></a>                    |
| 9324        | <a href="#"><u>Minutes And Recordings</u></a>                  |