

CITIZENS' GENERAL OBLIGATION BOND OVERSIGHT COMMITTEE BYLAWS

ARTICLE I Overview

Section 1. Name

The name of this committee is the Citizens' General Obligation Bond Oversight Committee (hereafter the "Committee").

Section 2. Authority

The Committee derives its authority from Proposition F, adopted by the voters at the March 5, 2002 election (S.F. Admin. Code, Sections 5.30 et. seq.).

Section 3. Purpose

The purpose of the Committee is to inform the public concerning the expenditure of general obligation bond proceeds. The Committee shall actively review and report on the expenditure of taxpayers' money in accordance with the voter authorization. The Committee shall convene to provide oversight for ensuring that: (1) general obligation bond revenues are expended only in accordance with the ballot measure, and (2) no general obligation bond funds are used for any administrative salaries or other general governmental operating expenses, unless specifically authorized in the ballot measure for such general obligation bonds.

Section 4. Activities and Powers

In furtherance of its purpose, the Committee may (1) inquire into the disbursement and expenditure of the proceeds of general obligation bonds approved by voters by receiving any reports, financial statements, correspondence or other documents and materials related to the expenditure of general obligation bond funds from agencies that receive proceeds from such bonds; (2) hold public hearings to review the disbursement and expenditure of the proceeds of general obligation bonds approved by voters; (3) inspect facilities financed with the proceeds of general obligation bonds approved by voters; (4) receive and review copies of any capital improvement project proposals or plans developed by the City which are to be financed in whole or in part with general obligation bonds; (5) review efforts by the City to maximize general obligation bond proceeds by implementing cost-saving measures, including, but not limited to, (a) mechanisms designed to reduce the costs of professional fees and site preparation and design, and (b) recommendations regarding the joint use of core facilities and use of cost-effective and efficient reusable facility plans; (6) commission independent review of the disbursement and expenditure of the proceeds of general obligation bonds approved by voters; and (7) pursue any other method of public outreach, to the extent that funds sufficient to pay the costs of pursuing such method of outreach have been appropriated by the San Francisco Board of Supervisors.

In addition, if, after reviewing materials provided by an agency, department or other entity receiving proceeds from the sale of general obligation bonds, the Committee, after conducting its own independent audit and after consultation with the City Attorney, determines that the proceeds of a general obligation bond program were spent on purposes not authorized by the ballot measure relating to such bonds, the Committee may prohibit the issuance of bonds pursuant to any remaining authorization under such ballot measure by acting in accordance with the procedures set forth in Article III, Section 11 of these Bylaws. The committee's decision to prohibit the sale of authorized, unsold general obligation bonds may be appealed and overturned,

or lifted, in accordance with the provisions of Section 5.34 of the San Francisco Administrative Code.

Section 5. Restrictions on Activities and Powers

The Committee has no power to review general obligation bond proposals prior to voter approval. Further, the Committee shall not participate or interfere in the selection process of any vendor hired to execute general obligation bond funded projects.

Section 6. Committee Office

For purposes of contacting the Committee, the Committee office shall be physically located at City Hall, Room 316. The Committee mailing address shall be City Hall - Room 316, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102-4694. The Committee e-mail address shall be CGOBO.Committee@sfgov.org.

ARTICLE II Officers

Section 1. Officers

There shall be a Chair and a Vice Chair of the Committee.

Section 2. Term of Office

The term of each office shall be one year. However, the officers serve at the pleasure of the Committee and may be removed from office before expiration of the one-year term by a vote of five members of the Committee.

Section 3. Election of Officers

Elections for officers shall be conducted at the first regular meeting of the Committee in each fiscal year.

In the event the Chair is unable to complete his or her term of office, the Vice Chair shall serve as Chair until the next regular meeting. At the next regular meeting, the Committee shall elect a new Chair to fill the vacancy for the balance of the unexpired term. In the event the Vice Chair is elected as Chair, there shall be an election for a new Vice Chair at that meeting. If the office of Vice Chair is vacated before the expiration of a term, it shall remain vacant until the next regular meeting, at which time the Committee shall elect a new Vice Chair.

Section 4. Duties of the Chair

The Chair shall preside at all meetings of the Committee, shall preserve order and decorum, and shall decide all questions of order subject to appeal to the Committee by any member. In addition, the Chair, working with the Committee members and staff, shall oversee the preparation of the agenda for all Committee meetings.

Unless the Committee specifies otherwise, the Chair is empowered to appoint members to standing or special subcommittees formed by the Committee. In addition, as stated in Article III, Section 2, the Chair is empowered to call special meetings.

Section 5. Duties of the Vice Chair

In the absence of the Chair, the Vice Chair shall preside at meetings of the Committee. In addition, as stated in Article II, Section 3, if the Chair is unable to complete his or her term of office, the Vice Chair shall serve as Chair until the next regular meeting.

In the absence of both the Chair and Vice Chair, the members shall select by motion a member to preside over the meeting.

ARTICLE III Meetings

Section 1. Regular Meetings

The first regular meeting of the Committee shall be held on January 9, 2003, at 2:00 p.m. in the legislative chambers of City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, California, 94102. The next two regular meetings of the Committee shall be held in Room 416 of City Hall, or in the event such room becomes unavailable, in such other room in City Hall as the Chair may designate, on February 10, 2003 at 9:30 a.m. and on March 3, 2003 at 10:00 a.m.

Thereafter, at the last meeting of the Committee each fiscal year the Committee shall determine the dates, times and locations of the regular meetings for the next fiscal year.

Once the dates, times and locations of the regular meetings have been determined, that information shall be promptly posted on the Committee's website, at the San Francisco Main Library, and at the Committee's office.

Section 2. Special Meetings

The Chair or a majority of the members of the Committee may call special meetings at any time by delivering written notice to each member of the board and to individuals who have requested such notice in writing.

Section 3. Notice and Agendas of Meetings

Agendas of all regular and special meetings shall be posted at least 72 hours prior to the meeting at the meeting site, at the Committee's office, at the San Francisco Main Library, and on the City Controller's website. If a special meeting will be at a site other than City Hall, notice of the special meeting shall be given at least 15 days prior to said special meeting. Agendas and notices shall be mailed to each Committee member and to individuals who have requested such agendas and notices in writing.

Section 4. Cancellation of Meetings

The Chair may cancel a meeting if he or she is aware that a quorum of the body will not be present or if the meeting date conflicts with a holiday or other responsibilities of the Committee members. Notices of cancellations shall be posted at the meeting site, at the Committee's office, at the San Francisco Main Library, and on the City Controller's website. If time permits, notice of meeting cancellations shall be mailed to all members of the public who have requested in writing to receive notices and agendas of Committee meetings.

If a regular meeting is cancelled, the Chair shall reschedule the regular meeting at a date and time that is after the originally scheduled date and time, that is reasonably close to the

originally scheduled date and time, and that is calculated to result in the greatest number of Committee members in attendance at the rescheduled meeting.

Section 5. Conduct of Meetings

All Committee meetings shall be held in compliance with all applicable laws, including but not limited to, the Ralph M. Brown Act (Cal. Gov. Code, Sections 54950 et. seq.), the California Public Records Act (Cal. Gov. Code, Sections 6250 et. seq.), the San Francisco Charter, the San Francisco Sunshine Ordinance (S.F. Admin. Code, Chapter 67), the Ordinance establishing the Committee (S.F. Admin. Code, Sections 5.30 et. seq.), and these Bylaws. Except where state or local laws or other rules provide to the contrary, meetings shall be governed by Robert's Rules of Order.

When a member desires to address the Committee, he or she shall seek recognition by addressing the Chair. When recognized, the member shall proceed to speak. The member shall confine his or her remarks to the question before the Committee.

Section 6. Setting Agendas

Committee staff at the direction of the Chair shall prepare the agenda for meetings. The Chair shall place any item requested by a member of the Committee on the agenda provided that it is received no less than five days prior to a regular meeting. Each agenda of all regular meetings shall contain an item during which members may request items for the Committee to consider at future meetings.

Section 7. Quorum

Five members of the Committee shall constitute a quorum for all purposes.

Section 8. Required Vote For Approval of a Matter

The affirmative vote of five members of the Committee shall be required for the approval of any matter, except that the affirmative vote of a majority of the members present is sufficient for the approval of any procedural or parliamentary matter.

Section 9. Voting and Abstention

Each member present at a Committee or subcommittee meeting shall vote "yes" or "no" when a question is put, unless the member is excused from voting on a matter by a motion adopted by a majority of the members present, or if the member has a conflict of interest that legally precludes participation in the vote. Whether a Committee member has a conflict of interest which precludes participation shall be determined by the individual members in consultation with the City Attorney's Office.

The Committee shall take action on items on the agenda by roll call vote, voice vote, or show of hands. The minutes shall reflect how each Committee member voted on each item.

Section 10. Public Comment

The Committee and all subcommittees shall hold meetings open to the public in full compliance with state and local laws, unless all or a portion of such meeting is to be held as a closed session under applicable public meeting laws.

Every agenda for a public meeting of the Committee shall provide an opportunity for members of the public to directly address the Committee on items of interest to the public that

are within the subject matter jurisdiction of the Committee. While the Committee is in public session the Chair may limit the time period for public comment consistent with state and local law. Each person wishing to speak on an item before the Committee at a public regular or special meeting shall be heard once for up to three minutes.

Section 11. Process for Prohibiting Issuance of General Obligation Bonds Upon Determination That General Obligation Bond Proceeds Were Spent on Unauthorized Purposes

If the Committee prohibits the issuance of bonds for any remaining general obligation bond authorization in accordance with Section 5.34 of the San Francisco Administrative Code, it shall do so only after proceeding as follows. At a regular or special meeting of the Committee, the Committee, after having conducted its own independent audit and after consultation with the City Attorney, makes a finding that the agency, department, or other entity (hereafter the "agency") receiving proceeds from the sale of general obligation bonds has spent general obligation bond proceeds on purposes not authorized by the ballot measure. Upon making this finding, the Committee shall immediately notify the agency in writing of the finding and of specific remedial action the agency must take to avoid the possibility of the Committee's exercise of its power to prohibit the issuance of further bonds authorized by the voters for such bond program. Copies of such notice shall also be delivered to each member of the Board of Supervisors as well as to the Mayor's Office of Public Finance, the City Controller and the City Treasurer. At the next regular or special meeting of the Committee, the Committee shall review the agency's response and may determine, by majority vote, whether to prohibit the further issuance of general obligation bonds under any remaining voter authorization for such bond program pursuant to the powers granted to the Committee by Section 5.34 of the San Francisco Administrative Code; *provided, however*, that if such meeting takes place after the date that is two days before the date on which a new series of bonds of such bond program is scheduled to be sold at public or private sale, then the exercise of the Committee's power to prohibit further issuance of the bond program's bonds shall not be effective as to such series of bonds.

Section 12. Absences

If any member of the Committee is absent in any given fiscal year from more than [two] regular meetings of the Committee, or more than [three] meetings overall, any member of the Committee may request that an item regarding such member's absences be added to the agenda of the next meeting of the Committee. At such meeting such member shall be given an opportunity to excuse or explain his or her absence from the Committee meetings in question. After such discussion the Committee may, by majority vote, act to forward a letter to the authority that appointed such member. Such letter shall describe the member's attendance record and may request that the appointing authority remove the member and appoint a replacement.

ARTICLE IV Maintenance of Committee Records and Issuance of Reports

Section 1. Meeting Minutes

Minutes shall be taken at every regular and special meeting. Minutes shall be approved by the Committee and be made available at the Committee's office, on the Controller's website, and at the San Francisco Public Library.

Section 2. Reports

The Committee shall issue regular reports on the results of its activities. A report shall be issued at least once a year. All reports issued shall be placed on file at the Committee's office, with the Clerk of the Board of Supervisors, and at the San Francisco Public Library.

ARTICLE V Subcommittees

Section 1. Standing Subcommittees

Upon approval of five members of the Committee, the Committee may form standing subcommittees to give advice on its ongoing functions. The standing subcommittees shall be composed of members of the Committee. The terms of the members of standing subcommittees shall be one year. Unless otherwise specified by the Committee, the Chair shall name the subcommittee's members and officers.

Section 2. Special Subcommittees

Upon approval of five members of the Committee, the Committee may form special subcommittees. Special subcommittees shall be formed for a specific purpose and cease to exist after completion of a designated task. Special subcommittees may be composed of members of the Committee and/or the public. Unless otherwise specified by the Committee, the Chair shall name the subcommittee's members and officers.

Section 3. Conduct of Subcommittee Meetings

All subcommittee meetings shall be held in compliance with all applicable laws, including but not limited to, the Ralph M. Brown Act (Cal. Gov. Code, Sections 54950 et. seq.), the California Public Records Act (Cal. Gov. Code, Sections 6250 et. seq.), and the San Francisco Sunshine Ordinance (S.F. Admin. Code, Chapter 67).

Section 4. Abolishing Subcommittees

Any subcommittee formed by the Committee may be abolished upon approval by five members of the Committee.

ARTICLE VI Bylaws

Section 1. Amendment of Bylaws

After presentation of a proposed amendment of the Bylaws as a scheduled agenda item at a meeting of the Committee, the Bylaws may be amended by a vote of a majority of the members.

Section 2. Public Notice of Bylaws

These Bylaws, and any amendments thereto, shall be available to the public at the Committee's office, on the Controller's website, and at the San Francisco Public Library.

ARTICLE VII Citizens' Audit Review Board

Section 1. Authority

In addition to its duties under Proposition F of March 5, 2002, the Committee is authorized to serve as the Citizens' Audit Review Board pursuant to the passage of Proposition C

on November 4, 2003 (SF Charter, Appendix F). In its role as the Audit Review Board the Committee shall provide advisory input to the Controller on matters pertaining to the performance of the Controller's responsibilities as City Services Auditor under Charter Section 3.105 and Charter Appendix F.

Section 2. Review of Service Standards and Benchmarks

Pursuant to Charter Section F1.101, the Services Audit Unit of the Controller's Office shall develop service standards and benchmarks in consultation with the various City departments delivering services to the public. In order to fulfill its duties under Charter Section F1.111, the Committee shall review the current status of these standards and benchmarks each time the Services Audit Unit compiles and publicizes the results of its examinations. Upon receipt of such results, the Committee shall review such standards and benchmarks to ensure their accuracy and usefulness to the citizens of San Francisco, and shall transmit its feedback to the Services Audit Unit for incorporation into the service evaluation process. In addition, the Committee shall provide notice to the public of the results of its review.

Section 3. Review of Audits.

Upon publication of final performance audits by the Controller pursuant to Charter Section F1.105, the Committee shall review such audit report to ensure that it meets the requirements of such section. The Committee may, but is not required to, conduct a public hearing regarding any audit report under review.

Section 4. Review of Complaints and Controller Disposition of Such Complaints.

The Committee shall review citizen and employee complaints received by the Controller and their disposition by the Controller pursuant to the authority granted in Charter Section F1.107. In order to perform this review, the Committee shall consult with the Controller to develop the most efficient methods of presenting such information for the Committee's review. The method of presenting such information shall ensure the complainants' confidentiality, as the City Attorney deems required under applicable laws and ordinances of the City. In addition, the Committee's review shall in no event compromise the confidentiality of complaints alleging conduct that may constitute a violation of a criminal law or a governmental ethics law which are referred by the Controller to the District Attorney, the City Attorney or the Ethics Commission.

Section 5. Public Hearings; Best Practices

The Committee shall hold hearings regarding the results of the Controller's benchmark studies and audits at such time as the Committee deems appropriate. An audio or video recording of such hearings shall be made available for public inspection free of charge.

The purpose of such hearings shall be to encourage the development and adoption of Citywide "best practices" consistent with the results of the Controller's benchmark studies and audits. The Committee may prepare and issue reports based on the results of such inquiries as described in Article IV hereof.

Section 6. Action By Subcommittee.

At its option, the Committee may delegate responsibility to perform the hearing and review activities of the Committee set forth in this Article VII to a standing subcommittee. Such subcommittee shall make regular reports of the results of its activities to the Committee as a whole. Only the Committee as a whole may take action to provide advisory input to the Controller.