



**PORTLAND PUBLIC SCHOOLS**  
**OFFICE OF SCHOOL MODERNIZATION**  
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**Date:** October 1, 2019  
**To:** School Board  
**From:** Dan Jung, Chief Operating Officer  
Marina Cresswell, Senior Director OSM  
**Subject:** Bond Accountability Committee Charter

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In recent months the Board has expressed a desire to update the Bond Accountability Committee charter to include review of future bond cost development. Attached is a revised charter for consideration.

For ease of reference, below are the substantive changes to the charter:

Additions:

1. The Committee will also review future bond planning processes and materials and provide advice to the Board on:
  - a. Cost estimating processes related to proposed modernization efforts, new construction projects and other potential scopes of work.
  - b. Bond development risk management strategies including project cost escalation assumptions, contingency assumptions, bond management cost estimates, etc.
2. The Committee will report quarterly to the Board or as requested by the Board.
3. Beginning with the next appointed chairperson, Committee member shall not hold the title of chairperson for more than 3 years.
4. Committee Operations:
  - a. The charge to the Committee does not include:
    - i. Approval of future bond scopes of work.
    - ii. Approval of current or future project cost estimates.

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*As a member of the PPS Executive Leadership Team, I have reviewed this staff report.*

 (Initials)

**Attachments:**

- Amended Bond Accountability Charter – redline version
- Amended Bond Accountability Charter – clean version



## **Portland Public Schools Capital Construction Bond Accountability Committee Charter Update: September 23, 2019**

### **Background**

Portland Public Schools (the District) has successfully referred Capital Construction Bond Measures for voter approval in November 2012 and May 2017. The District has established a citizen Bond Accountability Committee to assist in monitoring the planning and progress of the bond programs.

### **Committee Charge**

In response to the need for accountability regarding the District's effective use of capital construction bond funds, the PPS School Board (Board) has appointed a citizen Bond Accountability Committee ("Committee") whose charge is to monitor the planning and progress of the bond programs relative to voter-approved work scope, schedule and budget objectives. The Committee shall also monitor future bond planning efforts. The Superintendent has overall responsibility for performance of staff engaged in the implementation of the bond programs.

The Committee will actively review the bond programs and provide advice to the Board on:

Whether the school district bond revenues are expended only for the purposes for which the bonds were approved, and that bond revenues are not used for any purpose prohibited by law;

- Alignment with the goals and principles of the Long Range Facilities Plan;
- Alignment with the goals of the Business Equity Policy;
- District standards and innovative practices for achieving lower maintenance and construction costs while improving operating efficiency, sustainability, and increasing building longevity;
- Historic preservation and school renovation opportunities compatible with the architecture of surrounding Portland neighborhoods;
- Potential capital partnerships for joint and shared use of PPS facilities;
- Implementation of appropriate ways to address seismic issues;
- Compliance with ADA; and
- Communicating key information related to the bonds to the School Board, public groups, organizations and stakeholders.

The Committee will also review future bond planning processes and materials and provide advice, as requested by the Board, to the Board on:

- Cost estimating processes related to proposed modernization efforts, new construction projects and other potential scopes of work.

- Bond development risk management strategies including project cost escalation assumptions, contingency assumptions, bond management cost estimates, etc.

The Committee will use the Racial Equity and Social Justice framework in its review of bond projects and in providing advice to the Board. Any recommendation from the Committee to the Board will include discussion of any possible impact on historically underserved student populations.

The Committee will receive and review copies of annual performance audits and financial audits, and has the option to inspect school facilities and grounds to ensure Bond revenues are expended in compliance with state law and the ballot measure language.

The Committee will review quarterly reports produced by the District each year the bond proceeds are being spent in order to verify general compliance with the purposes set forth in the capital improvement programs as approved by the voters.

The Committee will report quarterly to the Board as requested by the Board.

The Committee will perform other reasonable duties requested by the Board.

### **Committee Membership**

The Committee shall consist of approximately seven to ten members reflective, to the extent possible, of the diversity of Portland. The Board will appoint committee members and a chairperson.

The committee shall be comprised of individuals with a commitment to fairness and transparency and belief in role of the public sector as stewards of public funds.

Membership of the committee should display a commitment to and experience in one or more of the following:

- building design, architecture, engineering
- construction and/or construction financing
- workforce equity and/or career learning equity
- public contracting, budgeting, and/or auditing
- business equity, Minority-owned, Women-Owned, or Emerging Small Business (MWESB) opportunities in public works

The Committee shall be comprised of a mix of individuals with a good reputation in the community for fairness and transparency, and a majority of the committee will be people with a combination of experience in building design; construction; construction financing; public contracting, budgeting, and/or auditing.

- The Committee members shall receive no direct or indirect compensation from the District for their services as members of the Committee.
- The Committee members may not have an active or pending contract with the District, nor enter into a contract during their term on the Committee.
- The Committee may not include any employee or official of the District, or any vendor, contractor or consultant of the District.
- A Committee member serves to advise the Board. If a Committee member resigns, violates the Committee Code of Ethics contained herein (see attachment), fails to attend two consecutive Committee meetings without reasonable excuse, or otherwise becomes unable to serve on the Committee, the Board may declare the position on the Committee to be vacant and appoint another qualified person to the Committee.
- Members are appointed to staggered 2-, 3- and 4-year terms and may reapply for consideration to serve additional terms. Effective July 1, 2019, a Committee member shall not hold the title of chairperson for more than 3 years. A Committee member may serve for a total of no more than eight years.

## **Committee Operations**

The charge to the Committee does not include:

- Approval of construction contracts;
- Approval of construction change orders;
- Appropriation of construction funds;
- Handling of legal matters;
- Approval of construction plans and schedules;
- Approval of the sale of bonds;
- Priorities and order of construction for the bond projects;
- Selection of architects, engineers, construction managers, project managers, and such other professional service firms;
- The approval of the design for any project;
- The selection of independent audit firm(s), performance audit consultants and such other consultants as are necessary to support the performance of the Bond Program;
- Setting or approving schedules of design and construction activities;
- Activities, roles or responsibilities that have been designated by the Superintendent or her designee to staff or consultants, or any policy-making responsibilities;
- Approval of future bond scopes of work; or
- Approval of current or future project cost estimates.

## **Committee Meetings**

- The Committee will meet quarterly or as requested by the Board.
- Committee meetings are advisory and not related to formal decision-making by the Board. Committee meetings shall include opportunity for public comments.
- The Superintendent will assign and delegate the appropriate level of staff to support the Committee's work.
- District staff will provide necessary technical and administrative assistance as follows:
  - A meeting room, including any necessary audio/visual equipment;
  - Preparation and copies of any documentary meeting materials, such as agendas and reports; and distribution of those materials to the committee in a timely manner.
  - Provision of reports covering the School Bond Programs.
  - Preparation of Committee meeting minutes and posting for public viewing and use on the PPS web site.
  - District staff will attend Committee meetings in order to report on the status of capital improvement projects, to respond to questions, and to receive advice and counsel on the overall bond programs or any of their component parts. District project consultants may attend Committee meetings at the discretion of District staff.

## **Attachment**

### **Portland Public Schools Capital Construction Bond Citizen Accountability Committee: Code of Ethics**

A Code of Ethics 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 Code. However, this Code captures some of the critical areas that help define ethical and professional conduct for Committee members. Committee members are expected to strictly adhere to the provisions of this Code of Ethics.

#### **Policy**

Each Committee member must uphold the federal and Oregon Constitutions; the laws and regulations of the United States and the State of Oregon, including complying fully with the ethics laws found within ORS Chapter 244; and the policies, procedures, rules, and regulations of the District. Additionally, Committee members shall:

- Act in the best interest of the District and the public
- Make service on the Committee a high personal priority by participating constructively and consistently in Committee work
- Prepare for meetings by reading the agenda and supporting material and learning about the subject matter
- Participate in rational, informed deliberations by considering reliable information and thinking critically
- Use one's own judgment versus following the lead of others
- Be committed to serving the District as a whole rather than any part or any personal or political cause
- Avoid conflicts of interest or the appearance thereof
- Provide advice and counsel untainted by personal, professional, or political interest
- Adhere to the highest standards of personal and professional behavior

For a period of one (1) year 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 one (1) year 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:

- bidding or proposing to provide services on projects funded by the bond proceeds; and/or
- any construction project funded by the District.



**Portland Public Schools Capital Construction  
Bond  
Citizen-Accountability Committee  
Charter**

**Update: September 23, 6, 2019**

**Background:**

Portland Public Schools (~~PPS~~the District) has successfully referred Capital Construction Bond Measures for voter approval in November 2012 and May 2017. ~~Both Bonds were approved and the Superintendent and the School Board desire to continue with~~ The District has established a citizen Bond Accountability Committee to assist in monitoring the planning and progress of the bond programs.

**Committee Charge:**

In response to the need for accountability regarding the District's effective use of capital construction bond funds, the PPS School Board (Board) ~~will appoint~~has appointed a cCitizen Bond Accountability Committee ("Committee") whose charge ~~will be~~is to monitor the planning and progress of the bond programs relative to voter-approved work scope, schedule and budget objectives. The Committee shall also ~~provides professional analysis of~~monitor future bond planning efforts. The Superintendent has overall responsibility for performance of staff engaged in the implementation of the bond programs.

The Committee will actively review the bond programs, and provide advice to the Board ~~of Education~~ on:

- Whether the school district bond revenues are expended only for the purposes for which the bonds were approved, and that bond revenues are not used for any purpose prohibited by law;
- Alignment with the goals and principles of the Long Range Facilities Plan;
- Alignment with the goals of the Business Equity Policy;
- District standards and innovative practices for achieving lower maintenance and construction costs while improving operating efficiency, sustainability, and increasing building longevity;
- Historic preservation and school renovation opportunities compatible with the architecture of surrounding Portland neighborhoods;
- Potential capital partnerships for joint and shared use of PPS facilities;
- Implementation of appropriate ways to address seismic issues;
- Compliance with ADA; and
- Communicating key information related to the bonds to the School Board, public groups, organizations and stakeholders.

The Committee will also review future bond planning processes and materials and provide advice, as requested by the Board, to the Board on:

- Cost estimating processes and templates related to proposed modernization efforts, physical facility improvements, educational facility improvements, new capacity construction projects and other potential scopes of work.
- Bond development risk management strategies including project cost escalation assumptions, contingency assumptions, bond management cost estimates, etc.

The Committee will use the Racial Equity and Social Justice framework in their its review of bond projects and before in providing advice to the Board. Any recommendation from the Committee to the Board will include discussion of any possible impact on historically underserved student populations. If the Committee recommends or advises a modification or action related to education specifications that will adversely impact historically underserved students or schools that served a majority of historically underserved or perpetuates inequitable programming impacting historically underserved students, it must be noted in the report or presentation.

The Committee will receive and review copies of annual performance audits and financial audits, and has the option to inspect school facilities and grounds to ensure Bond revenues are expended in compliance with state law and the ballot measure language.

The Committee will review quarterly reports produced by the District each year the bond proceeds are being spent in order to verify general compliance with the purposes set forth in the capital improvement programs as approved by the voters.

The Committee will report Quarterly to the Board as requested by the Superintendent, District staff or the Committee chair Board.

The Committee will perform other reasonable duties requested by the School Board.

**Committee Membership:**

The Committee shall consist of approximately seven to ten members reflective, to the extent possible, of the diversity of Portland. . The ~~School~~ Board will appoint committee members and a chairperson.

The committee shall be comprised of individuals with a commitment to fairness and transparency and belief in role of the public sector as stewards of public funds.

Membership of the committee should display a commitment to and experience in one or more of the following:

- building design, architecture, engineering
- construction and/or construction financing



- [workforce equity and/or career learning equity](#)
- [public contracting, budgeting, and/or auditing](#)
- [business equity, MWESB](#)<sup>[JB1]</sup> opportunities in public works

The Committee shall be comprised of a mix of individuals with a good reputation in the community for fairness and transparency, and a majority of the committee will be people with a combination of experience in building design; construction; construction financing; public contracting, budgeting, and/or auditing.

a) The Committee members shall receive no direct or indirect compensation from the District for their services as members of the Committee.

b) The Committee members may not have an active or pending contract with the District, nor enter into a contract during their term on the Committee.

c) The Committee may not include any employee or official of the District, or any vendor, contractor or consultant of the District.

d) A Committee member serves to advise the ~~School~~ Board. If a Committee member resigns, violates the [Committee Code of Ethics Policy](#) contained herein (see attachment), fails to attend two consecutive Committee meetings without reasonable excuse, or otherwise becomes unable to serve on the Committee, the Board may declare the position on the Committee to be vacant and appoint another qualified person to the Committee.

e) Members are appointed to staggered 2-, 3- and 4-year terms and may reapply for consideration to serve additional terms. [Effective July 1, 2019, Beginning with the next appointed chairperson, a Committee member shall not hold the title of chairperson for more than 3 years may not serve more than eight consecutive years. A Committee member may serve only for a total of no more than eight years.](#)

### **Committee Operations:**

The charge to the Committee does not include:

- Approval of construction contracts;
- Approval of construction change orders;
- Appropriation of construction funds;
- Handling of legal matters;

- e. Approval of construction plans and schedules;
- f. Approval of the sale of bonds;
- g. Priorities and order of construction for the bond projects;
- h. Selection of architects, engineers, construction managers, project managers, and such other professional service firms;
- i. The approval of the design for any project;
- j. The selection of independent audit firm(s), performance audit consultants and such other consultants as are necessary to support the performance of the Bond Program;
- k. Setting or approving schedules of design and construction activities; ~~or~~
- l. Activities, roles or responsibilities that have been designated by the Superintendent or her designee to staff or consultants, or any policy-making responsibilities;
- m. Approval of future bond scopes of work; ~~or~~
- n. Approval of current or future project cost estimates.

**Committee Meetings:**

- a) The Committee will meet quarterly or as requested by the ~~Superintendent, District staff or the Committee chair~~ Board.
- b) Committee meetings are advisory and not related to formal decision-making by the ~~PPS School~~ Board. Committee meetings shall include opportunity for public comments.
- c) The ~~Chief Operating Officer, Chief Financial Officer, and Director of the Office of School Modernization will provide support and staffing to the Committee~~ Superintendent will assign and delegate the appropriate level of staff to support the Committee's work.
- d) ~~PPS-District~~ staff will provide necessary technical and administrative assistance as follows:
  - (1) A meeting room, including any necessary audio/visual equipment;

- (2) Preparation and copies of any documentary meeting materials, such as agendas and reports; and distribution of those materials to the committee in a timely manner.
- (3) Provision of reports covering the School Bond Programs.
- (4) Preparation of Committee meeting minutes and posting for public viewing and use on the PPS web site.
- (5) PPS-District staff will attend Committee meetings in order to report on the status of capital improvement projects, to respond to questions, and to receive advice and counsel on the overall bond programs or any of their component parts. PPS-District project consultants may attend Committee meetings at the discretion of PPS-District staff.

## Attachment

### Portland Public Schools Capital Construction Bond Citizen Accountability Committee:

#### Code of Ethics Considerations

An Code of eEthics policy 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 PolicyCode. However, this Policy-Code captures some of the critical areas that help define ethical and professional conduct for Committee members. Committee members are expected to strictly adhere to the provisions of this Code of Ethics-Policy.

#### **Policy:**

Each member must act as a responsible fiduciary. As a state actor, eEach Committee member must uphold the federal and Oregon Constitutions; the laws and regulations of the United States and the State of Oregon, including complying fully with the ethics laws found within ORS Chapter 244; and the policies, procedures, rules, and regulations of the District. Additionally, Committee members shall:

- Act in the best interest of the District and the public
- Make service on the Committee a high personal priority by participating constructively and consistently in Committee work
- Prepare for meetings by reading the agenda and supporting material and learning about the subject matter
- Participate in rational, informed deliberations by considering reliable information and thinking critically
- Use one's own judgment versus following the lead of others
- Be committed to serving the District as a whole rather than any part or any personal or political cause
- Avoid conflicts of interest or the appearance thereof
- Provide advice and counsel untainted by personal, professional, or political interest
- Adhere to the highest standards of personal and professional behavior

~~CONFLICT OF INTEREST. A Committee member shall not make or influence a District decision related to:~~

~~3. any contract funded by bond proceeds; or~~

~~4. any construction project which will benefit the Committee member's outside employment, business, or provide a financial benefit to a family member, such as a spouse, child, parent or sibling.~~

~~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:~~

~~6. any contract funded by bond proceeds; or~~

~~7. any 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 one (1) year 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 one (1) year 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:

1. bidding or proposing to provide services on projects funded by the bond proceeds; and/or
2. any construction project funded by the District.

~~COMMITMENT TO UPHOLD LAW. A Committee member shall uphold the federal and Oregon Constitutions, the laws and regulations of the United States and the State of Oregon, and the policies, procedures, rules and regulations of the Portland Public School District.~~

~~COMMITMENT TO THE PUBLIC. A Committee member shall place the interests of the public above any personal or business interest of the member.~~