



BOND OVERSIGHT COMMITTEE CHARTER



July 26, 2024



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Purpose of Committee

The Bond Oversight Committee Charter ("Charter") is adopted to explain the mission, purpose, structure, membership, duties, responsibilities, and expectations. This Charter supersedes all previously adopted charters. The goal is to ensure transparency in the Bond projects in the 2024 Bond.

The Committee's charge is to monitor the progress of all applicable Bond-funded construction projects and help interested Houstonians to stay informed about new construction and renovation projects in the District. The Committee's focus should be oversight rather than limited to hindsight.

Committee Structure and Membership:

1. The Committee has up to nine voting members, including a Chairperson and Vice Chairperson. The Committee members will be appointed by the Superintendent after consultation with the Board. While the Board may provide input for the Superintendent's consideration, the Superintendent will be the sole decision maker regarding the final appointments. Written applications will be reviewed by members of the District's Executive Leadership team for each applicant's experiences and qualifications. The Executive Leadership team will submit recommendations to the Superintendent for approval and appointment to the Committee. If possible, the District will work to ensure there is one member from the 2012 Bond Oversight Committee.
2. Appointments will be for the period of time it takes for the Bond to be fully executed and complete. If a committee member is unable and/or unwilling to continue with the appointment at any point in time, the member must provide the Superintendent written notice of their intent to no longer serve on the committee effective a date certain.
3. The Committee will approve meeting minutes, review and approve the reasonableness of reports from the District, and approve the issuance of status reports and other communications from the Committee.
4. All meetings will be open to the general public.
5. Membership on the Committee shall consist of interested persons from the following groups who can remain objective and independent with the District's best interest at heart:
 - a. Special preference for members with expertise or knowledge in the areas of building design/engineering, construction, construction project management, and/or finance.
 - b. Members active in a business organization representing the business community located in the District.
 - c. Members who are parents or guardians of a child enrolled in the District.
 - d. Members of the community at large.
6. The Committee members receive no direct or indirect compensation from the District for their services as members of the Committee.

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7. The Committee members may not have an active contract or be seeking a contract with the District or with any contractor or sub-contractors associated with the Bond Programs.
8. 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 the general interest of the public as opposed to any personal interest or special interest group.
9. If a Committee member moves outside of the District's geographic boundaries, resigns, violates the Ethics Policy contained herein, fails to attend two consecutive Committee meetings without reasonable excuse, or otherwise becomes unable to serve on the Committee, the Superintendent may declare the position on the Committee to be vacant and appoint another qualified person to the Committee.

Committee Duties and Responsibilities:

The Committee shall inform the Superintendent, Board, and general public (in that order) concerning the District's overall project management of all Bond Programs, including but not limited to:

1. Monitor progress of Bond projects authorized by voters and provide regular updates to the board.
2. Review periodic financial reports produced by the District to verify effective and efficient use of Bond proceeds and compliance with the purposes set forth in the Bond Programs as approved by the Board.
3. Review efforts by the District to maximize Bond revenues.
4. Coordinate with the Superintendent's designee to visit District facilities and grounds for which Bond proceeds have been or will be expended, in accordance with any necessary access procedures.
5. Review copies of other Bond reports published by the District.
6. Provide periodic status reports and an annual report regarding the results of its activities, in addition to any Committee, recommendations, to the Superintendent and Board.
7. Disclose and sign an annual conflict of interest statement for existing conflicts and re-submit if any conflicts arise during a Committee member's tenure.
8. Communicate any perceived allegation of wrongdoing; potential waste, fraud, misuse or abuse; or non-compliance with Local, State, or Federal laws/regulations, or District policies that become known to the Committee shall be communicated to the Superintendent, who shall refer such matters as required by HISD Board Policy.
9. Provide counsel and input to the administration and the Board, but it does not have management or policy-setting responsibilities. Also, the Committee does not have a fiduciary responsibility to the District or Board, nor are its members personally liable to the District or



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Board. The Committee is not responsible for:

- a. Approval of construction contracts or change orders;
- b. Appropriation of construction funds;
- c. Approval of construction plans and schedules;
- d. Approval of the District's maintenance plan;
- e. Approval of the sale of bonds;
- f. Establishment of priorities and order of construction for the Bond projects;
- g. Selection of architects, engineers, construction managers, project managers, and other professional service firms;
- h. Approval of the design for each project including exterior materials, paint color, interior finishes, site plan and construction means or methods;
- i. Selection of independent audit firm(s), performance audit consultants and such other consultants as are necessary to support the performance of the Bond Programs;
- j. Setting or approving schedules of design and construction activities;
- k. Investigations of alleged wrongdoing; potential waste, fraud, misuse or abuse; or non-compliance with Local, State, Federal laws/regulations, or District policies.
- l. Directing the activities of staff or consultants; or
- m. Activities, roles or responsibilities that have been delegated to staff or consultants by the Superintendent or his designee.

Committee Meetings:

1. The Committee shall meet at least quarterly to review the District's Bond Program's status and related information, and to perform other duties as provided herein. The Superintendent, Chairperson, or Vice Chairperson may convene additional meetings, if necessary.
2. All Committee meetings shall be held within the District's geographic boundaries.
3. Minutes will be prepared by a representative of the District and will be distributed to the Committee within 15 business days. The minutes will be voted upon for the record at the next scheduled Committee meeting.
4. Formal action from the Committee requires a majority vote of the quorum present. Individual members of the Committee shall not exercise authority for the Committee as a whole and shall not act independently of the Committee.
5. The District shall have a commitment to the Committee, provide open communication, and provide necessary technical and administrative assistance in a timely fashion as follows:
 - a. Provision of a meeting room, including any necessary audio/visual equipment;

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- b. 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;
- c. Provision of a quarterly summary progress report covering the Bond Programs;
- d. Access to other information to effectively perform its oversight function.
- e. Notify the public of Committee meeting times and locations.

Ethics Policy:

This Ethics 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 Policy. However, this Policy captures some of the critical areas that help define ethical and professional conduct for Committee members. The provisions of this Policy 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 construction project that will benefit the Committee member's outside employment, or business, or provide a financial benefit to the Committee member or a family member, such as a spouse, child, parent, or sibling.

OUTSIDE EMPLOYMENT. A Committee member shall not use his or her knowledge of 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 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.

COMMITMENT TO UPHOLD LAW. A Committee member shall uphold the federal and Texas Constitutions, the laws and regulations of the United States and the State of Texas, and the policies, procedures, rules, and regulations of the Houston Independent School District.

COMMITMENT TO DISTRICT. A Committee member shall place the interests of the District above any personal or business interest of the member.

MEMBER CERTIFICATION. A Committee member shall certify his or her understanding of Committee's Ethics Policy and disclose and sign an annual conflict of interest statement for existing conflicts and re-submit if any conflicts arise during their tenure.