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July 18, 2005

Mr. James Austin
Vice Chancellor, Business Services
Grossmont-Cuyamaca Community District
8800 Grossmont College Drive
El Cajon, CA 92020-1799

Re: *Powers of a Proposition 39 Citizens' Oversight Committee*

Dear Jim:

Over the past week you have provided me with a series of questions regarding the role and purposes of a Proposition 39 Citizens' Oversight Committee and now seek a legal opinion with respect to the grant of power under Education Code Section 15278 to a Citizens' Oversight Committee.

The Grossmont-Cuyamaca Citizens' Oversight Committee was established by resolution of the Board of Trustees and had its powers defined in the Citizens' Bond Oversight Committee Bylaws. These Bylaws implemented the powers granted to the Oversight Committee by Education Code Section 15278. Fortunately, in implementing Proposition 39, the State Legislature was clear in the limited scope of powers granted to a Proposition Oversight Committee. As you know, the two primary functions of a Proposition 39 Oversight Committee are to review expenditures which have been made of Proposition 39 bond monies, determine that such expenditures were for qualified bond projects and not for teacher or administrator salaries and upon such review to inform the public of their conclusions in this regard. In my opinion, neither the Bylaws, nor the Education Code or Proposition 39 itself grants to any Citizens' Oversight Committee the authority to pre-approve projects, to pre-approve expenditures of bond monies, or to establish its own priorities with respect to expenditure of bond proceeds for qualified purposes. All of the power to spend bond monies and to designate projects which are to be the recipients of bond monies rest solely in the discretion of the Board of Trustees of the District.

The lack of ambiguity in the scope of authority of an Oversight Committee is recognized by all of the law firms practicing in this field, and my opinion stated above is the exact opinion which I have provided to over 100 school districts and community college districts which I have represented as bond counsel in Proposition 39 bond elections. Having served as bond counsel to nearly all of the community college districts who have passed Proposition 39 bonds, the Bylaws approved by the

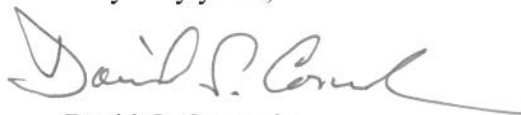
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Grossmont Cuyamaca Board of Trustees grants no more nor any less power to its Citizens' Oversight Committee than any of the other community college districts in California. None of the community colleges that I am bond counsel to has had an Oversight Committee assert the right nor been awarded the power to pre-approve projects or expenditures bond monies. The function of the Oversight Committee is to review expenditures which have been made, and to determine that such bond projects were either expressly included in the ballot text presented to the voters or, as in Grossmont Cuyamaca's case, projects which were included in the various college facilities construction, renovation and repair, energy reduction and technology master plans which had been approved by the Board of Trustees in 2002 and which were on file with the District's Public Information Office at the time of the bond election. If a Board of Trustees designated project is included in either one of the master plans described above or in the actual language of the Full Text Ballot Proposition that the voter's approved, then the staff of the District does not have any responsibility whatsoever to engage in prior consultation with the Citizens' Oversight Committee with respect to the allocation of any bond funds. The District does have the obligation to compile expenditure reports and provide information to the Oversight Committee so that they can execute their legislatively defined responsibilities and review those expenditures and satisfy themselves that they were made for qualified bond projects.

If there are any questions with respect to whether or not a project qualifies for bond financing, I would be happy to answer specific questions regarding specific projects upon your request.

If there is any further information that you require from me, I would happy to provide it to you.

Very truly yours,

A handwritten signature in cursive script, appearing to read "David G. Casnocha".

David G. Casnocha

DGC:men