

## **SCHOOL BONDS MEASURES**

### **INTRODUCTION**

The Grand Jury received complaints concerning alleged illegal expenditures of public funds and resources used by various school districts to encourage passage of school bonds. Also questioned was Yes on Measure M campaign strategy. Yes on Measure M campaign was a group of volunteers who worked to get School Bond Measure M passed by voters. It was decided to focus our study on one school district, Ventura Unified School District, (VUSD) which recently obtained passage of a school bond issue in a special election.

### **INQUIRY**

The Grand Jury subcommittee held meetings with VUSD's legal counsel, the Assistant Superintendent of the Business Services Division of VUSD, the volunteer campaign coordinator for the Yes on Measure M campaign and other volunteers and complainants. Applicable sections of the California Education Code were studied. We reviewed information concerning a recent court case brought against VUSD regarding the strategy it used in deciding to ask for a school bond election.

### **FINDINGS**

A lawsuit had been brought against VUSD by a political party concerning use of a certain financial consulting company and the alleged use of school resources to obtain passage of a school bond measure. The court decided that VUSD did not break the law by engaging the services of the financial advisor consulting company. However, VUSD had inadvertently spent district funds for an informational booklet to be printed and distributed regarding the school bonds. VUSD was reimbursed for this expense (\$4500) from Yes on Measure M campaign funds that were deposited into VUSD's general account.

The above occurred even though VUSD had consulted its bond counsel and the district's own legal counsel to clarify legal requirements before beginning work on the bond issue.

Section 7054 of the California Education Code states "...no school district or community college district funds, services, supplies or equipment shall be used for the purpose of urging the passage or defeat of any school measure of the district..."

The following Yes on Measure M campaign concerns were found not to be in violation of the above code:

- VUSD used district funds for informational banners displayed at each school before the election.

- Postage and envelopes were paid for with donated campaign funds and printing was donated by a local company.
- Volunteers working on Yes on Measure M campaign used the home of the Yes on Measure M campaign coordinator as their headquarters.
- VUSD spent \$75,000 to pay for a special election to obtain passage of a \$81 million bond. The last school bond measure put before the voters in Ventura by VUSD was approximately 30 years ago and did not pass.
- An informational video was produced at no cost to the district by students after school hours for use by the Yes on Measure M campaign committee and was aired by a local community television channel.
- District administrators spent several Wednesday mornings in committee Yes on Measure M campaign meetings. This was a convenient time for the volunteer parent to host the meetings. School officials who attended are not 9 to 5 employees.

Directory information notice is provided to parents by VUSD at the beginning of each school year. VUSD feels this notification includes student lists for the voter registration and the vote by mail part of the campaign. VUSD's computers were initially used to compile lists of current students and recent alumni.

As part of Yes on Measure M campaign, students were given voter registration forms for their parents to fill out and sign. It was confirmed that at least in one school, students who did not bring back forms were penalized by forfeiting recess time and those who did were rewarded with ice cream, paid for by the PTA. However, this practice ceased when the school principal intervened.

The remaining Yes on Measure M campaign money (approximately \$2,000) was given as scholarships to be awarded to high school students in the district.

## **CONCLUSIONS**

VUSD did not comply with the Education Code when they used district funds for the printing and distributing of informational brochures. This money was reimbursed from Yes on Measure M campaign funds. Funds were donated by various people interested in helping Measure M pass.

Students should not be penalized by losing privileges when not returning voter registration forms from parents. Voting is an individual right that cannot be forced upon adults.

Yes on Measure M campaign volunteers consisted of parents and interested people who spent many hours of their own time and money trying to get passage of a bond issue to benefit the district schools.

Schools officials who were criticized for attending bond passage meetings do not work on an hourly basis, therefore time lost from the workplace can be made up. Moreover, it is not against the Education Code for board members and district employees to appear before citizens' groups who request their attendance for purposes of discussing reasons why the board called a bond election.

The 1995 State Legislature passed Senate Bill 82. This measure makes it a misdemeanor or felony for a school district to use its funds, services, supplies or equipment for the purpose of supporting or defeating any ballot measure or candidate. Punishment for violations of these restrictions may include jail time and fines. The new law became effective January 1, 1996 and demonstrates that the degree of scrutiny being placed by the Legislature on campaign activities associated with local school bond elections is increasing.

It is more important than ever that school districts considering embarking on a bond campaign are thoroughly familiar with all applicable laws, rules and regulations.

### **RECOMMENDATIONS**

- That school districts be aware of the new law, Senate Bill 82 and its consequences, including other laws concerning this subject.

### **RESPONSE REQUIRED**

Ventura Unified School District Superintendent