



MAY 10, 2007

AGENDA ITEM # **12**

FUNCTIONAL GUIDELINES FOR THE NEW MEASURE A INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

Action Requested: Approve

Key Staff: Brian Williams, Executive Director

Recommendation

Approve Functional Guidelines for the **New** Measure A Independent Taxpayer Oversight Committee to establish the Committee's roles and responsibilities, administrative protocols, open meeting requirements, and the process for selecting members.

Discussion

At last month's Board meeting, staff presented draft Functional Guidelines for an Independent Taxpayer Oversight Committee (ITOC) that will "supervise fiscal and performance audits regarding the use of all sales tax funds and provide for independent review to ensure that all Measure funds are spent in accordance with provisions of the Expenditure Plan and Ordinance as approved by the voters." The **New** Measure A Ordinance requires that committee members be appointed within 120 days after the effective date of the **New** Measure A program, and that the ITOC be formally established by April 1, 2010, one year after program commencement. Since the Authority has already begun to accelerate the delivery of **New** Measure A capital projects through bonding, your Board has directed staff to proceed with the creation of the ITOC.

The draft Functional Guidelines (attached) detail what the ITOC is expected to accomplish, how its activities will relate to those of the STA Board and staff, and how the three voting members will be selected. They also set forth the terms and conditions for ITOC membership. In response to prior Board discussion, staff has amended the document to emphasize your Board's intent that the ITOC function in an open public manner and to include administrative protocols for encouraging public participation. Added language is **highlighted**; deleted language has been ~~struck out~~.

While the ITOC will serve in an advisory capacity to the STA Governing Board, the Functional Guidelines are not completely prescriptive. The Committee will have some independence in conducting its fiscal and performance assessments of the **New** Measure A program within budgetary constraints, and will be encouraged to develop recommendations to improve financial operations and the integrity of program implementation. ITOC members and their designated auditing consultants will have complete and timely access to all public documents, records, and data associated with **New** Measure A revenues and expenditures. The Committee will be required to make regular reports to the Governing Board and public.

Attachments:

- 2nd Draft ITOC Functional Guidelines
- Draft ITOC Application Form
- Exhibit B from the **New** Measure A Ordinance – "Independent Taxpayer Oversight Committee"
- Overview of Ralph M. Brown Act