

POLICY: BOND IMPLEMENTATION AND OVERSIGHT

PURPOSE: To ensure accountability in fulfilling the Districts fiduciary responsibilities as they relate to future bond measures submitted to the voters for completion of the current Tower project or any new expansion projects. The details of any future bond issue and its processing will be part of the bond approval and will be controlling. This policy is intended to specify the minimum procedures that should be included in all future bond considerations.

PROCEDURE: It shall be the policy of the Tulare Local Health Care District that the current Bond Oversight Committee Charter will still be in place. In the case of contradictions between the Charter and this policy, this policy shall be the defining document.

- A. To ensure that bond proceeds are used only for allowable purposes the Bond Oversight Committee in conjunction with the CEO and CFO, will monitor all construction activities. Before bond proceeds are expended, the Bond Oversight Committee, CEO and CFO will present a report to the Board of Directors for approval of expenditure of any General Obligation Bond money.
- B. Section II. (G) of the Charter is amended to read Report ~~on a regular basis quarterly,~~ to the Board concerning the progress and use of future *General Obligation Bond funds related to the Phase I Expansion Project.*
- C. The Board in addition to following the procedure outlined in section (A) above will also make available to the public all documents pertaining to the construction request and cost of any future General Obligation Bond projects. Any findings or recommendations identified by future audits or regulatory body will be addressed by the Board and dealt with in accordance with District Policy, By Laws and applicable State/Federal regulations.

D. It shall be the responsibility of the CEO to ensure that quarterly reports prepared by the Bond Oversight Committee are prepared and presented to the Board. The CEO will monitor the Bond Oversight Committee and prepare a written evaluation of their activity to be presented to the Board quarterly. The Board should at least twice a year or sooner if requested meet with the Bond Oversight Committee to review their progress and provide. The purpose is to establish a cohesive working relationship and exchange of ideas and information, to better manage and distribute the funds from future General Obligation Bonds.

This policy/guideline replaces and supersedes all previous policies/guidelines and is effective immediately.

Approved by the Board of Directors of the Tulare Local Healthcare District on _____; effective immediately.

Senovia Gutierrez, Secretary