

WESTERN PLACER
UNIFIED SCHOOL DISTRICT

February 8th, 2017

BOND OVERSIGHT COMMITTEE

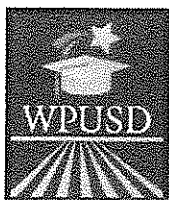
MEASURE A

2016 – 2017 School Year

Mike Adell
Facilities Director

B.O.C. Packet – Measure A

1. Agenda
2. Minutes from October 2016 Meeting
3. Financial Statements
4. Performance Audit
5. Measure A Expenditures To Date Cover Page
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8. Measure A MPN008 Spreadsheet
9. Measure A MPN 000 Spreadsheet



**WESTERN PLACER
UNIFIED SCHOOL DISTRICT**

600 Sixth St, Suite 400, Lincoln CA 95648
Ph: 916-645-6350

Board of Trustees: Paul Long
Brian Haley
Paul Carras
Kris Wyatt
Damian Armitage

Superintendent: Scott Leaman

Measure "A" and "N" Bond Oversight Committee

Wednesday February 8, 2017

5:30 PM

District Office, 1st Floor Community Meeting Room

Agenda

- 1.0 *Welcome and Introductions*
- 2.0 *Approval of Meeting Minutes for October 11, 2016 Meeting*
- 3.0 *Measure A Project Updates/Presentation by Joe Trone*
 - 3.1 *2015-16 Measure A General Obligation Bonds Audited
Financial Statements and Performance Audit*
 - 3.2 *Lincoln High School Addition and Modernization*
 - 3.3 *District High School #2*
- 4.0 *Measure A Project Expenditure Reports*
- 5.0 *Measure N BOC Membership*
 - 5.1 *Review of By-Laws and Committee Responsibilities*
 - 5.2 *Committee Elections*
- 6.0 *Open Forum*
- 7.0 *Future Business*
 - *Next Meeting – Date/Location*
- 8.0 *Adjourn*

WESTERN PLACER UNIFIED SCHOOL DISTRICT

BOND OVERSIGHT COMMITTEE MEETING

First Floor Meeting Room

600 6th Street, Lincoln, CA 95648

Tuesday, October 11, 2016

MINUTES

CALL TO ORDER - President Jackie Lamb called the meeting to order at 5:42 p.m.

ROLL CALL - Committee Members Present: Jackie Lamb, David Fear, Judson Cline, and Carol Hunt

Committee Members Absent: Ed Rowan, Ashley Indrieri, Kimberely Vinci, and Keela Rodriguez

Administrators Present: Michael Adell and Audrey Kilpatrick

Welcome and Introductions

President Lamb welcomed everyone. It was noted that there was not a quorum, so the meeting could not officially be held. The committee members that were present decided to stay and review the items in the packet.

Approval of Meeting Minutes for May 11, 2016 Meeting

The Bond Oversight Committee was not able to vote on previous minutes.

Project Updates/Presentation

*** Lincoln High School Addition and Modernization -**

Michael Adell discussed the moving of portables to the parking lot area. That is complete. Today they bid on the Phase 1 for the big project. He also noted that they have closed out paperwork with DSA from construction that was 20 years ago.

Near the beginning of September they had a pre-bid walk. There were 4 bids that came in today. One goes to the Board next week. They hope to start work in mid November. Their target date for the new building in mid-August.

*** Twelve Bridges High School Site-**

Michael Adell gave an update of where the district is with the land purchase, DSA paperwork, and obtaining an architect.

Project Expenditure Reports

Michael Adell reviewed the expenditure reports. On page 4 or 4, Judson Cline inquired on the "Admin Salary". It was noted that it was Hannah's salary.

Open Forum

Judson Cline noted that it would be nice to let the public know that things are happening with the Bond money for the 2 sites.

Future Business

- **Next Meeting – Date/Location** Tuesday, February 8th at 5:30pm
First Floor Meeting Room
600 6th Street, Lincoln, CA 95648

Jackie Lamb noted that she will contact those who are not in attendance.

Adjournment – 6:40 p.m.

Jackie Lamb, President
WPUSD Bond Oversight Committee

Committee Approval Date

WESTERN PLACER UNIFIED SCHOOL DISTRICT
MEASURE A GENERAL OBLIGATION BONDS
FINANCIAL STATEMENTS
June 30, 2016

WESTERN PLACER UNIFIED SCHOOL DISTRICT
Lincoln, California

MEASURE A GENERAL OBLIGATION BONDS
June 30, 2016

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Western Placer Unified School District
Lincoln, California

Report on the Financial Statements

We have audited the accompanying financial statements of Western Placer Unified School District (the "District") Measure A General Obligation Bonds (the "Bonds") activity included in the Building Fund of the District, as of and for the year ended June 30, 2016, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design the audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

(Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Western Placer Unified School District (the "District") Measure A General Obligation Bonds activity as of June 30, 2016, and the changes in financial position thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present the financial activity and balances of the Measure A General Obligation Bonds activity only, and do not purport to, and do not, present fairly the financial position of Western Placer Unified School District, as of June 30, 2016 or the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2017 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters for Measure A General Obligation Bonds activity. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance for Measure A General Obligation Bonds activity. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance for the Measure A General Obligation Bonds activity.

Crowe Horwath LLP

Crowe Horwath LLP

Sacramento, California
January 23, 2017

WESTERN PLACER UNIFIED SCHOOL DISTRICT
MEASURE A GENERAL OBLIGATION BONDS
BALANCE SHEET
June 30, 2016

ASSETS

Cash in County Treasury (Note 2)	\$ <u>15,065,780</u>
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LIABILITIES AND FUND BALANCE

Accounts payable	\$ 5,997
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Fund balance – restricted (Note 3)	<u>15,059,783</u>
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Total liabilities and fund balance:	<u>\$ 15,065,780</u>
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See accompanying notes to financial statements.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
MEASURE A GENERAL OBLIGATION BONDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
For the Year Ended June 30, 2016

Expenditures:

Current:

Classified salaries	\$ 4,072
Employee benefits	1,764
Books and supplies	22,510
Contract services and operating expenditures	31,038

Capital outlay	<u>4,147,003</u>
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Total expenditures	<u>4,206,387</u>
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Net change in fund balance	(4,206,387)
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Fund balance, July 1, 2015	<u>19,266,170</u>
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Fund balance, June 30, 2016	<u>\$ 15,059,783</u>
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See accompanying notes to financial statements.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
MEASURE A GENERAL OBLIGATION BONDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Western Placer Unified School District (the "District") conform to accounting principles generally accepted in the United States of America as applicable to governments and to general practices within California school districts. The District accounts for its financial transactions in accordance with policies and procedures of the Department of Education's *California School Accounting Manual*. The activities of the Measure A Bonds are recorded along with other activities in the District's Building Fund. The accounting policies of the District conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant accounting policies:

Financial Reporting Entity: The financial statements include the activity and balances of the Measure A General Obligation Bonds, only. The activities of the Measure A General Obligation Bonds are recorded along with other activities in the District's Building Fund. These financial statements are not intended to present the financial position and results of operations of Western Placer Unified School District as a whole.

Basis of Accounting: Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

The basic financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term liabilities, if any, is recognized when due.

Budgets and Budgetary Accounting: Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all government funds. By State law, the District's Board of Education must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's Board of Education satisfied these requirements.

The District's Board of Education and Superintendent revise the budgets during the year to give consideration to unanticipated income and expenditures.

Formal budgetary integration was employed as a management control device during the year for all budgeted funds. The District employs budget control by minor object and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object account.

Cash and Cash Equivalents: For the purpose of the financial statements, cash equivalents are defined as financial instruments with an original maturity of three months or less. Funds invested in the Placer County Treasury are considered cash equivalents.

Accounting Estimates: The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(Continued)

WESTERN PLACER UNIFIED SCHOOL DISTRICT
MEASURE A GENERAL OBLIGATION BONDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrances: Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated as of June 30.

NOTE 2 – CASH AND INVESTMENTS

Cash at June 30, 2016 consisted of the following:

Cash in County Treasury	\$ 15,065,780
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Pooled Funds: In accordance with Education Code Section 41001, the Office of Education maintains substantially all of its cash in the interest bearing Placer County Treasurer's Pooled Investment Fund. The Office of Education is considered to be an involuntary participant in an external investment pool. The fair value of the Office of Education's investment in the pool is reported in the financial statements at amounts based upon the Office of Education's prorata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

Interest Rate Risk: The District does not have a formal investment policy that limits cash and investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2016, the District had no significant interest rate risk related to cash.

Credit Risk: The District does not have a formal investment policy that limits its investment choices other than the limitations of State law.

Concentration of Credit Risk: The District does not place limits on the amount it may invest in any one issuer. At June 30, 2016, the District had no concentration of credit risk.

NOTE 3 – FUND BALANCE CLASSIFICATION

Governmental Accounting Standards Board Codification Sections 1300 and 1800, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB Cod. Sec. 1300 and 1800) implements a five-tier fund balance classification hierarchy that depicts the extent to which a government is bound by spending constraints imposed on the use of its resources. The five classifications are nonspendable, restricted, committed, assigned and unassigned. The fund balance of the Measure A General Obligation Bonds is restricted, as described below.

The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation.

(Continued)

WESTERN PLACER UNIFIED SCHOOL DISTRICT
MEASURE A GENERAL OBLIGATION BONDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 4 – PURPOSE OF BOND ISSUANCE

Bond Authorization: By approval of the proposition for Measure A by at least 55% of the registered voters voting on the proposition at an election held on November 4, 2014, Western Placer Unified School District was authorized to issue and sell bonds of up to \$60,000,000 in aggregate principal amount.

Purpose of Bonds: The proceeds of the Bonds may be used:

“The Project List includes the construction of a new high school and the modernization, upgrade and construction projects at Lincoln High School, including:

- *Provide modern technology and computers to support 21st-century education*
- *Provide classrooms and instructional facilities that prepare students for college and careers*
- *Modernize, renovate or replace aging classrooms and other school facilities*
- *Replace aging portables with new classrooms*
- *Modernize classrooms and educational facilities to meet current safety codes*
- *Provide modern fire-detection, alarms, and emergency communications systems and other upgrades to ensure safety*
- *Provide seismic upgrades to classrooms and school facilities*
- *Provide additional classrooms to accommodate growth in student enrollment*
- *Upgrade, renovate, repair and construct, as needed, facilities supporting student services, including food services, administration and counseling buildings, and other school facilities*
- *Improve energy and operational efficiency to reduce maintenance and operating costs*
- *Improve parking lots, including the addition of covered parking*
- *Repair or replace outdated heating, lighting, electrical or sewer systems”*

As required by the California Constitution, the proceeds from the sale of bonds will be used only for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

NOTE 5 – GENERAL OBLIGATION BOND ISSUANCES

The bonds are general obligations of the District, and Placer County is obligated to levy ad valorem taxes for the payment of and interest on, the principal of the bonds. The Bond Interest and Redemption Fund is maintained by the County Treasurer and is used to account for both the accumulation of resources from ad valorem tax levies and the payment of interest and redemption of principal of the bonds issued by the District.

Measure A: On June 4, 2015 the District issued Measure A General Obligation Bonds, totaling \$20 million.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Board of Education
Western Placer Unified School District
Lincoln, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States the financial statements of Western Placer Unified School District (the "District") Measure A General Obligation Bonds (the "Bonds") activity included in the Building Fund of the District, as of and for the year ended June 30, 2016, and related notes to the financial statements and have issued our report thereon dated January 23, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Western Placer Unified School District internal control over Measure A General Obligation Bond activity financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Western Placer Unified School District's internal control. Accordingly, we do not express an opinion of the effectiveness of Western Placer Unified School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over that we consider to be material weaknesses. However, material weakness may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Western Placer Unified School District Measure A General Obligation Bond activity included in the Building Fund of the District's financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

This purpose of this report is intended solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crowe Horwath LLP

Crowe Horwath LLP

Sacramento, California
January 23, 2017

WESTERN PLACER UNIFIED SCHOOL DISTRICT
MEASURE A GENERAL OBLIGATION BONDS
SCHEDULE OF AUDIT FINDINGS
For the Year Ended June 30, 2016

No matters were reported.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
MEASURE A GENERAL OBLIGATION BONDS
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2016

No matters were reported.

WESTERN PLACER UNIFIED SCHOOL DISTRICT

**MEASURE A GENERAL OBLIGATION BONDS
PERFORMANCE AUDIT**

June 30, 2016

WESTERN PLACER UNIFIED SCHOOL DISTRICT

MEASURE A GENERAL OBLIGATION BONDS
PERFORMANCE AUDIT
June 30, 2016

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Western Placer Unified School District
Lincoln, California

We have conducted a performance audit of the Western Placer Unified School District (the "District") Measure A General Obligation Bond funds for the year ended June 30, 2016.

We conducted our performance audit in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusion based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Our audit was limited to the objectives listed on page 4 of this report which includes determining the compliance with the performance requirements for the Proposition 39 Measure A General Obligation Bonds under the applicable provisions of Section 1(b)(3)(C) of Article XIII A of the California Constitution and Proposition 39 as they apply to the bonds and the net proceeds thereof. Management is responsible for Western Placer Unified School District's compliance with those requirements.

Solely to assist us in planning and performing our performance audit, we obtained an understanding of the internal controls of Western Placer Unified School District to determine the audit procedures that are appropriate for the purpose of providing a conclusion on the District's compliance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express any assurance on the internal control.

The results of our procedures indicated that, in all significant respects, Western Placer Unified School District expended Measure A General Obligation Bond funds for the year ended June 30, 2016 only for the specific projects developed by the District's Board of Education and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution.

Crowe Horwath LLP

Crowe Horwath LLP

Sacramento, California
January 23, 2017

WESTERN PLACER UNIFIED SCHOOL DISTRICT
MEASURE A GENERAL OBLIGATION BONDS
BACKGROUND INFORMATION

LEGISLATIVE HISTORY

On November 7, 2000, California voters approved Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act. Proposition 39 amended portions of the California Constitution to provide for the issuance of general obligation bonds by school districts, "for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities", upon approval by 55% of the electorate.

Education Code Section 15278 provides additional accountability measures:

1. A requirement that the school district establish and appoint members to an independent citizens' oversight committee.
2. A requirement that the school district expend bond funds only for the purposes described in Section 1(b)(3) of Article XIII A of the California Constitution, and ensuring that no funds are used for any teacher or administrative salaries or other school operating expenses.
3. A requirement to conduct an annual independent performance audit required by Section 1(b)(3)C of Article XIII A of the California Constitution.
4. A requirement to conduct an annual independent financial audit required by Section 1(b)(3)D of Article XIII A of the California Constitution.

WESTERN PLACER UNIFIED SCHOOL DISTRICT MEASURE A GENERAL OBLIGATION BONDS

On November 4, 2014, the electorate of Western Placer Unified School District approved the \$60,000,000 million Measure A General Obligation Bonds, with greater than 55% of the votes in favor. The text of the ballot language was as follows:

"For the purpose of updating/replacing aging classrooms and support facilities, and instructional technology needed for improved teaching, replacing portable classrooms, repairing/replacing roofs, worn-out floors, electrical systems, seismic upgrades and improving energy efficiency to save money and support instruction within the District"

The District's Board of Education developed the following Bond Project List for Measure A:

As discussed above, the Project List includes the construction of a new high school and the modernization, upgrade and construction projects at Lincoln High School, including:

- Provide modern technology and computers to support 21st-century education
- Provide classrooms and instructional facilities that prepare students for college and careers
- Modernize, renovate or replace aging classrooms and other school facilities
- Replace aging portables with new classrooms
- Modernize classrooms and educational facilities to meet current safety codes
- Provide modern fire-detection, alarms, and emergency communications systems and other upgrades ensure safety
- Provide seismic upgrades to classrooms and school facilities
- Provide additional classrooms to accommodate growth in student enrollment
- Upgrade, renovate, repair and construct, as needed, facilities supporting student services, including food services, administration and counseling buildings, and other school facilities
- Improve energy and operational efficiency to reduce maintenance and operating costs
- Improve parking lots, including the addition of covered parking
- Repair or replace outdated heating, lighting, electrical or sewer systems

(Continued)

WESTERN PLACER UNIFIED SCHOOL DISTRICT
MEASURE A GENERAL OBLIGATION BONDS
BACKGROUND INFORMATION

WESTERN PLACER UNIFIED SCHOOL DISTRICT MEASURE A GENERAL OBLIGATION BONDS
(Continued)

On June 4, 2015 the District issued General Obligation Bonds, Series 2007, totaling \$20,000,000. The bonds bear interest at rates ranging from 3.00% to 5.00% and are scheduled to mature through June 2041.

The financial activity related to the Measure A General Obligation Bonds is recorded within the District's Financial Activity Report for Fund 21 (Building Fund) in the District's audited financial statements for the year ended June 30, 2016.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
MEASURE A GENERAL OBLIGATION BONDS
OBJECTIVES, SCOPE, METHODOLOGY AND CONCLUSIONS

OBJECTIVES

The objective of our performance audit was to determine that the District expended Measure A General Obligation Bond funds for the year ended June 30, 2016 only for the purposes approved by the voters and only on the specific projects developed by the District's Board of Education, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)C of Article XIII A of the California Constitution.

SCOPE

The District provided to us a list of all Measure A project expenditures (the "List") for the period from July 1, 2015 through and including June 30, 2016. A total of 50 expenditures representing approximately \$4,206,387 from July 1, 2015 to June 30, 2016, were identified.

METHODOLOGY

We performed the following procedures to the List of Measure A General Obligation Bond project expenditures for the year ended June 30, 2016:

- Verified the mathematical accuracy of the expenditures List.
- Reconciled the List to total bond expenditures as reported by the District to the District's audited financial statements for the year ended June 30, 2016, presented as part of the Building Fund.
- Selected a sample of expenditures totaling \$3,914,924. The sample was selected to provide a representation across specific construction projects, vendors and expenditure amounts. The sample represented 93% of the total expenditure value. Verified that the funds were generally expended for the construction, renovation, furnishing, and equipping of school facilities constituting authorized bond projects. Verified that the funds used to pay the salaries of district employees were allowable per Opinion 04-110 issued on November 9, 2004 by the State of California Attorney General.

CONCLUSIONS

The results of our tests indicated that, in all significant respects, Western Placer Unified School District expended Measure A General Obligation Bond funds for the year ended June 30, 2016 only for the specific projects developed by the District's Board of Education and approved by the voters, in accordance with the requirements of Proposition 39, as specified by Section 1(b)(3)(C) of Article XIII A of the California Constitution.

WESTERN PLACER UNIFIED SCHOOL DISTRICT
SCHEDULE OF SELECTED MEASURE A BOND EXPENDITURES
For the Fiscal Year Ended June 30, 2016

<u>Date</u>	<u>Description</u>	<u>Amount</u>
04/12/2016	Twelve Bridges High School - Land	\$ 3,587,662
06/29/2016	Lincoln High School (LHS) Portable lease	137,286
12/18/2015	LHS addition and modernization	118,729
11/12/2015	LHS DSA plan check fees	63,000
08/21/2015	LHS modular classrooms	4,912
06/17/2016	Audit services	1,600
05/31/2016	Payroll – Hannah Richie	550
01/04/2016	Payroll – Hannah Richie	530
06/30/2016	Moving boxes and tape supplies	445
06/17/2016	Toxic substance control service	210
		<u>\$ 3,914,924</u>

**Measure A Expenses To Date
February 8th, 2017**

Page		Master Project Number (MPN)	Total
1	Lincoln High School Addition and Modernization Project	001	\$7,473,522.16
2	Twelve Bridges High School	005	\$3,596,583.52
3	Lincoln High School Portable RELO	008	\$733,266.04
4	General Measure A	000	\$87,614.08
Total To Date:			\$11,890,985.80

Measure A Expenditure Spreadsheet 1 of 4

Req #	PO #	Req Date	Total Amt	Expensed	Encumbered Requisitioner	Comment	Soft/Hard Cost Status	Vendor	Completed
MPN 001 Lincoln High School Addition and Modernization									
VR15-02384/ VR17-00408	PO15-02013/ PO17-00352	3/25/2015	729,250.00	516,091.44	Michael Adell	LHS Addition & Modernization Architect Fees	Soft Cost - A/E	Ready for Payment LPA INC.	
VR16-00342	PO16-00290	7/16/2015	12,000.00	12,000.00	Michael Adell	LHS Additional & Modernization Surveying Services	Soft Cost - Report/Survey	Complete WARREN CONSULT ENGINEERS INC	9/3/2015
VR16-00343	PO16-00291	7/16/2015	10,425.95	10,425.95	Michael Adell	LHS Addition Building Geotechnical Eng. & Geo Hazard Report	Soft Cost - Report/Survey	Complete WALLACE-KUHL & ASSOCIATES	10/22/2015
VR16-00436	PO16-00364	7/31/2015	12,080.71	12,080.71	Michael Adell	LHS Landscape & Water Consumption Report	Soft Cost - A/E	Ready for Payment LPA INC.	
VR16-01411		11/5/2015	63,000.00	63,000.00	Michael Adell	LHS DSA Plan Check Fees	Soft Cost - Agency Fees	Complete DSA	11/10/2015
VR16-01412		11/5/2015	3,600.00	3,600.00	Michael Adell	LHS Geological Survey	Soft Cost - Agency Fees	Complete The California Geological Survey	11/10/2015
VR16-02080	PO16-01654	2/10/2016	4,460.00	4,460.00	Michael Adell	Geotechnical Report for Turf and Track	Soft Cost - Report/Survey	Ready for Payment WALLACE-KUHL & ASSOCIATES	
VR17-01286	PO17-01074	10/24/2016	6,560,000.00	669,158.00	Michael Adell	LHS Add & Mod Construction New Bldg	Hard Cost/Construction	Ready for Payment Flint Builders	
VR17-01375		11/2/2016	1,150.00	1,150.00	Michael Adell	LHS Parking Lot Striping	Hard Cost/Construction	Complete Sierra Striping Inc	12/1/2016
VR17-01381	PO17-01097	11/2/2016	225	225	Evelyn Keaton	MPN 001 Inspect Services October 2016	Soft Cost	Complete ALAN S BROOKS	11/15/2016
VR17-01389	PO17-01109	11/3/2016	72,000.00	3,112.50	Evelyn Keaton	MPN 001 Testing and Inspection Services	Soft Cost	Ready for Payment WALLACE-KUHL & ASSOCIATES	
VR17-01421		11/8/2016	718	718	Evelyn Keaton	MPN 001 SWRCB App Fee 480405	Soft Cost	Complete SWRCB/STATE WATER RESOURCES	11/15/2016
VR17-01560		12/1/2016	525	525	Evelyn Keaton	MPN 001 Inspect Services November 2016	Soft Cost	Complete ALAN S BROOKS	12/8/2016
VR17-01677		1/3/2017	4,087.50	4087.5	Evelyn Keaton	MPN 001 Inspect Services December 2016	Soft Cost	Complete ALAN S BROOKS	1/10/2017
VR17-01850		1/24/2017	138.35	138.35	0.00 Mike Adell	Traffic Control Signs for Construction		Submitted Jason T Cable DBA C5 Graphics	
TOTAL			7,473,522.16	1,300,634.10	6,172,888.06				

Measure A Expenditure Spreadsheet 3 of 4

MPN 005 Twelve Bridges High School Resource

Req #	PO #	Req Date	Total Amt	Expensed	Encumbered	Requisitions	Comment	Soft Cost - Report/Survey	Hard Cost - Report/Survey	Co Status	Vendor	Completed
VR16-01295	PO16-01041	10/23/2015	\$4,000.00	\$4,000.00	0.00	Michael Adell	TBHS Appraisal TBHS Phase 1	Soft Cost - Report/Survey	Complete	Complete	Seever Jordan Ziegenmeyer DTSC	12/3/2015
VR16-01723		12/17/2015	\$1,500.00	\$1,500.00	0.00	Michael Adell	Environmental Site Assessment	Soft Cost - Report/Survey	Complete	Complete	DEPARTMENT OF TOXIC	1/7/2016
VR16-01275	PO16-01040	10/22/2015	\$3,000.00	\$3,000.00	0.00	Michael Adell	TBHS Phase 1 Environmental Site Assessment for 23 acre	Soft Cost - Report/Survey	Complete	Complete	Padre Associates Inc.	12/17/2015
VR16-02412		3/24/2016	\$3,587,662.46	\$3,587,662.46	0.00	Carrie Carlson	TBHS Land Purchase	Soft Cost - Report/Survey	Complete	Complete	PLACER TITLE COMPANY DTSC	3/31/2016
VR16-02982		6/9/2016	210.05	210.05	0.00	Evelyn Keaton	Costs Incurred 1/2005 - 3/2016	Soft Cost - Report/Survey	Complete	Complete	DEPARTMENT OF TOXIC	6/16/2016
VR17-01818		1/19/2017	28.58	28.58	0.00	Mike Adell	Fe Ex Mail RGA Architect CD	Soft Cost - Report/Survey	Complete	Complete	PJ's Mail & Parcel Service	1/19/2017
Cal Card			182.43	182.43	0.00	Mike Adell	Misc Architect Interview Supplies	Soft Cost - Report/Survey	Complete	Complete	US Bank Card	
Total				\$3,596,583.52	\$3,596,583.52	0.00						

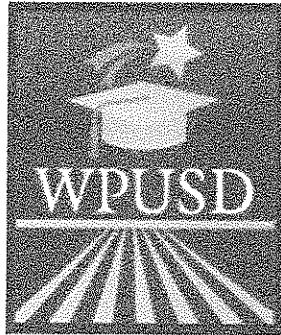
Measure A Expenditure Spreadsheet Sheet 2 of 4
MPN 008 LHS Portable Relocation Project Resource

Reg #	PO #	Req Date	Total Amt	Expensed	Encumbered	Requisitioner	Comment	Soft/Hard Cost	Status	Vendor	Completed
VR16-02185		2/25/2016	1,325.00	1,325.00	0.00	Mike Adell	LHS Portable Relo DSA Fees	Agency Fees - Soft Cost -	Complete	DSA - DIVISION OF THE STATE	3/3/2016
VR16-02212	PO16-01746	2/26/2016	2,400.00	2,400.00	0.00	Mike Adell	LHS Portable Relo Survey Boundary Line Review	Report/Survey - Soft Cost -	Complete	WARREN CONSULT ENGINEERS INC	4/7/2016
VR16-02220	PO16-01750	2/29/2016	2,500.00	2,500.00	0.00	Mike Adell	LHS Portable Relo Topographical Survey	Report/Survey - Soft Cost -	Complete	WARREN CONSULT ENGINEERS INC	4/7/2016
VR16-02410		3/23/2016	500.00	500.00	0.00	Mike Adell	LHS Portable Relo Additional Lndscp Fee	Agency Fees - Soft Cost -	Complete	DSA - DIVISION OF THE STATE	4/7/2016
VR16-02695	PO16-02145	4/19/2016	444.68	444.68	0	Mike Adell	Moving Supplies for Teachers (Boxes/Tape/Foam)	Soft Cost -	Complete	LOWE'S	4/25/16
VR16-02949	PO16-02345	5/12/2016	32.92	32.92	\$	Mike Adell	Moving Supplies for Teachers- Additional Tape/Foam	Soft Cost -	Complete	LOWE'S	6/16/2016
VR17-00260	PO17-00230	6/17/2016	688,431.00	523,253.95	\$	163,177.05	008 Main Construction Costs	Hard Cost -	Ready for Payment	BRCC CONSTRUCTION, INC.	
VR17-00266	PO17-00232	6/17/2016	2,486.00	2,486.00	\$	Mike Adell	MPN 008 Thermostats	Hard Cost -	Complete	CLIMATE CONTROL, INC	8/11/2016
VR17-00317	PO17-00274	6/29/2016	3,308.75	3,308.75	\$	Mike Adell	MPN 008 Ramp Inspection	Soft Cost -	Complete	WALLACE-KUHL & ASSOCIATES	9/29/2016
VR17-00336	PO17-00289	7/1/2016	5,902.16	5,902.16	\$	Mike Adell	MPN 008 Projector Data Cabling	Hard Cost -	Complete	PRECISION WEST TECHNOLOGIES	9/1/2016
VR17-00337		7/1/2016	8,315.75	8,315.75	\$	Mike Adell	MPN 008 Projectors	Hard Cost -	Complete	CDW GOVERNMENT INC	8/18/2016
VR17-00428	PO17-00377	7/26/2016	1,680.87	1,680.87	\$	Evelyn Keaton	MPN 008 LHS Blinds	Hard Cost -	Complete	ADD SOME CLASS	8/18/2016
VR17-00461	PO17-00401	7/28/2016	1,032.59	1,032.59	\$	Evelyn Keaton	LHS Wireless Clocks and Batteries	Hard Cost -	Complete	ADD SOME CLASS	8/18/2016
VR17-00482		8/2/2016	2,250.00	2,250.00	\$	Evelyn Keaton	MPN 008 July IOR Inspection	Soft Cost -	Complete	ALAN S BROOKS	8/4/2016
VR17-00530		8/8/2016	430.70	\$	430.70	Evelyn Keaton	MPN 008 Primus Keys	Hard Cost -	Ready for Payment	ROY R. RADTKE - DBA APPROVED SAFE & LOCK	
VR17-00623	PO17-00511	8/16/2016	3,300.00	3,300.00	\$	Evelyn Keaton	008 Wiring from Security Alarm Panel	Hard Cost -	Complete	S E TECHNOLOGIES	9/15/2016
VR17-00689		8/22/2016	119.46	119.46	\$	Evelyn Keaton	008 Portable Replacement US Flags and Holders	Hard Cost -	Complete	ADD SOME CLASS	9/1/2016
VR17-00823		9/6/2016	1,950.00	1,950.00	\$	Evelyn Keaton	MPN 008 August IOR Inspection	Soft Cost -	Complete	ALAN S BROOKS	9/15/2016
VR17-00860		9/6/2016	559.22	559.22	\$	Evelyn Keaton	008 Projector Screens	Hard Cost -	Complete	CDW GOVERNMENT INC	9/15/2016
VR17-01375		11/2/2016	8,246.94	8,246.94		Evelyn Keaton	MPN 008 LHS Portable Move Add Lndscp Fee	Soft Cost -	Complete	DSA - DIVISION OF THE STATE	11/15/2016
Total			733,226.04	569,618.29	163,607.75						

Measure A Expenditure Spreadsheet 4 of 4

MPN 000 General Measure A Resource

Req #	PO #	Req Date	Total Amt	Expensed	Encumbered	Requisitioner	Comment	Soft/Hard Cost	Status	Vendor	Completed
VR16-00334	PO16-00289	7/14/2015	12,891.98	12,891.98	0.00	Tsugu Furuyama	LHS Replacement Computers in Library	Hard Cost - F&E	Complete	CDW Government Inc	1/14/2016
VR16-00330	PO16-00283	7/14/2015	45,184.36	45,184.36	0.00	Tsugu Furuyama	LHS Comp Replacement Rm 5 Main Lab & Portables	Hard Cost - F&E	Complete	CDW Government Inc	10/15/2015
VR16-00513	PO16-00421	8/11/2015	841.40	841.40	0.00	Tsugu Furuyama	LHS - Adapters for Replacement Computers in Library	Hard Cost - F&E	Complete	CDW Government Inc	09/12/2015
VR16-01599	PO16-01216	12/1/2015	5,708.06	5,708.06	0.00	Audrey Kilpatrick	LHS Replacement Projectors, Printers, and Tech Equipment	Hard Cost - F&E	Complete	CDW Government Inc	1/28/2016
VR16-01762		1/5/2016	4,000.00	4,000.00	0.00	Mike Adell	Performance Audit of District Financial statements for Measure A	Soft Cost - Other Dist. Admin.	Complete	Crowe Horwath LLP	1/14/2016
VR16-02979		6/6/2016	1,600.00	1,600.00	0.00	Carrie Carlson	Auditing Services for 15-16	Soft Cost	Complete	Crowe Horwath LLP	6/16/2016
VR17-00314	PO17-00272	6/28/2016	9,068.00	9,068.00	0.00	Mike Adell	LHS 23 New EMS HVAC Thermostats	Hard Cost	Complete	Climate Control, Inc.	8/11/2016
			8,320.28	8,320.28	0.00	Payroll	Admin Salary 2015 through 2016	Soft Cost	Complete	WPUSD	9/30/2016
Total			87,614.08	87,614.08	0.00						



WESTERN PLACER
UNIFIED SCHOOL DISTRICT

February 8th, 2017

BOND OVERSIGHT COMMITTEE
MEASURE N

2016 – 2017 School Year

**Mike Adell
Facilities Director**

EXHIBIT "A"

BYLAWS AND OPERATIONAL GUIDELINES FOR THE MEASURE "N" CITIZENS' BOND OVERSIGHT COMMITTEE

SECTION I - NAME AND LOCATION

- 1.1 The name of the committee will be the Measure "N" Citizens' Bond Oversight Committee (hereafter the "Committee"). The Committee was established by Resolution of the Governing Board of the Western Placer Unified School District, pursuant to the passage of Measure "N" on November 8, 2016, by the electorate of the Western Placer Unified School District.
- 1.2 The office of the Committee shall be located in the District Offices of the Western Placer Unified School District, 600 Sixth Street Suite 400, Lincoln, California.

SECTION II - PURPOSE

- 2.1 Pursuant to Education Code section 15278, the purpose of the Committee is to inform the public concerning the expenditure of Measure "N" bond revenues. The Committee shall actively review and report on the proper expenditure of taxpayers' money for school construction, and advise the public as to whether the District is in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, set forth below. The Committee shall convene to provide oversight for, but not limited to, both of the following:
 1. Ensuring that Measure "N" bond revenues are expended only for the purposes described in paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, set forth below.
 2. Ensuring that Measure "N" bond revenues are not used for any teacher or administrative salaries or other school operating expenses.

SECTION III - ACTIVITIES

- 3.1 The Committee may engage in any of the following activities in furtherance of its purpose:
 1. Receive and review copies of the annual, independent performance audit.
 2. Receive and review copies of the annual, independent financial audit.
 3. Inspect school facilities and grounds to ensure that Measure "N" bond revenues are expended in compliance with paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution, set forth below.
 4. Receive and review copies of any deferred maintenance proposals or plans developed by the District.

5. Review efforts by the District to maximize Measure “N” bond revenues by implementing cost-saving measures, including, but not limited to, all of the following:
 - (a) Mechanisms designed to reduce the costs of professional fees.
 - (b) Mechanisms designed to reduce the costs of site preparation.
 - (c) Recommendations regarding the joint use of core facilities.
 - (d) Mechanisms designed to reduce costs by incorporating efficiencies in school site design.
 - (e) Recommendations regarding the use of cost-effective and efficient reusable facility plans.
6. The Committee shall issue a report of its activities at least once a year. Minutes of the Committee's proceedings and all documents received and reports issued shall be made available for public viewing on the District's Internet website.

SECTION IV - MEMBERSHIP

- 4.0I The Committee shall consist of at least seven (7) members who shall be appointed by the Board to serve for a term of two years without compensation and for no more than three consecutive terms.
- 4.2 The members of the Committee shall include at least:
 1. One member who is active in a business organization representing the business community within the District.
 2. One member who is active in a senior citizens' organization.
 3. One member who is active in a bona fide taxpayer organization.
 4. One member who is the parent or guardian of a child enrolled in the District.
 5. One member who is both the parent or guardian of a child enrolled in the District and who is active in a parent-teacher organization, such as the PTA or a school site council.
- 4.3 The Committee shall not include any employee or official of the District or any vendor, consultant or contractor of the District.
- 4.4 Committee members may not hold any incompatible office or position during their term of membership, as those terms are defined in Article 4.7 of Division 4 of Title I (commencing with section 1125) of the Government Code, and shall abide by the conflict of interest prohibitions contained in Article 4 of Division 4 of Title I (commencing with section 1090) of the Government Code.

SECTION V - COMMITTEE MEETINGS

- 5.01 Regular Meetings. The Committee shall hold four regular meetings each year, on the second Tuesday of the months of March, June, September and December, unless the second Tuesday of the month falls on a holiday, in which case the regular meeting for that month shall be on the Tuesday preceding the second Tuesday of the month. The date upon which, and the hour and place at which, each such regular meeting shall be held shall be fixed by Resolution of the Board of Trustees. To the extent permitted by the Ralph M. Brown Act ("Brown Act"), such meetings may be held by teleconference.
- 5.2 Special Meetings. Special meetings of the Committee may be called in accordance with the provisions of the Brown Act, as amended or supplemented from time to time. To the extent permitted by the Brown Act, such meetings may be held by teleconference.
- 5.3 Notice. All meetings of the Committee shall be called, noticed, held and conducted subject to the provisions of the Brown Act.
- 5.4 Minutes. The Secretary of the Committee shall cause minutes of all meetings of the Committee to be kept and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to District staff for posting on the District's Internet website.
- 5.5 Quorum. A majority of the Committee members shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time.
- 5.6 Voting. Each Committee member shall be entitled to one vote. No action shall be taken by the Committee except upon the affirmative vote of the majority of those Committee members present and voting.

SECTION VI - COMMITTEE OFFICERS

- 6.1 President, Vice President and Secretary. The officers of the Committee shall be a President, a Vice President and a Secretary. The President and Vice President must be members of the Committee, and shall be elected to their respective positions by the members of the Committee. The Secretary shall be elected or appointed by Committee and need not be a member of the Committee.
- 6.2 Duties of the President. The duties of the President are to:
1. Preside at meetings of the Committee.
 2. Appear before the Board of Trustees and other bodies to present and discuss the official actions of the Committee.

6.3 Duties of the Vice President. The duties of the Vice President are to:

1. Preside at Committee meetings in the absence of the President.
2. Appear before the Board of Trustees and other bodies to present and discuss the official actions of the Committee in the absence of the President.

6.4 Duties of the Secretary. The duties of the Secretary are to:

1. Record and maintain minutes of all meetings of the Committee.
2. Distribute minutes of all meetings of the Committee to all Committee members, to the Board of Trustees, and to District staff for posting on the District's Internet website.
3. Distribute Committee meeting agendas to all Committee members, to all other persons requesting copies of the agenda so that provisions of the Brown Act are followed, and to District staff for posting on the District's Internet website.
4. Distribute all Committee reports to all Committee members, to the Board of Trustees, and to District staff for posting on the District's Internet website.
5. Keep all documents officially received by the Committee in the course of its business, and to forward copies of all such documents to the District staff.
6. Prepare all necessary correspondence of the Committee.
7. Arrange and coordinate meeting locations and teleconferences of the Committee.

SECTION VII - AMENDMENTS AND SUPPLEMENTAL PROCEDURES AND GUIDELINES

- 7.1 These Bylaws and Operational Guidelines shall become effective upon approval of the Board of Trustees.
- 7.2 These Bylaws and Operational Guidelines may be amended, changed, added to, or repealed by the Board of Trustees as deemed necessary. Additional or supplemental operational guidelines or procedures may be adopted by the Committee by a majority vote of all the members of the Committee, providing such additional or supplemental operational guidelines or procedures are not in conflict with these Bylaws and Operational Guidelines, any Resolution or Ordinance of the Board of Trustees, or any state law, including but not limited to the provisions of the Brown Act and the Education Code.

APPENDIX I - EXCERPT FROM CALIFORNIA CONSTITUTION
ARTICLE 13A (TAX LIMITATION)

SECTION 1. (a) The maximum amount of any ad valorem tax on real property shall not exceed One percent (1%) of the full cash value of such property. The one percent (1%) tax to be collected by the counties and apportioned according to law to the districts within the counties.

(b) The limitation provided for in subdivision (a) shall not apply to ad valorem taxes or special assessments to pay the interest and redemption charges on any of the following:

(1) Indebtedness approved by the voters prior to July 1, 1978.

(2) Bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voters voting on the proposition.

(3) Bonded indebtedness incurred by a school district, community college district, or county office of education for the construction, reconstruction, rehabilitation, or replacement of school facilities, including the furnishing and equipping of school facilities, or the acquisition or lease of real property for school facilities, approved by 55 percent of the voters of the district or county, as appropriate, voting on the proposition on or after the effective date of the measure adding this paragraph. This paragraph shall apply only if the proposition approved by the voters and resulting in the bonded indebtedness includes all of the following accountability requirements:

(A) A requirement that the proceeds from the sale of the bonds be used only for the purposes specified in Article XIII A, Section 1(b) (3), and not for any other purpose, including teacher and administrator salaries and other school operating expenses.

(B) A list of the specific school facilities projects to be funded and certification that the school district board, community college board, or county office of education has evaluated safety, class size reduction, and information technology needs in developing that list.

(C) A requirement that the school district board, community college board, or county office of education conduct an annual, independent performance audit to ensure that the funds have been expended only on the specific projects listed.

(D) A requirement that the school district board, community college board, or county office of education conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all of those proceeds have been expended for the school facilities projects.

(c) Notwithstanding any other provisions of law or of this Constitution, school districts, community college districts, and county offices of education may levy a 55 percent vote ad valorem tax pursuant to subdivision (b).