



Fresno Unified School District

Facilities Bonds Measure K and and Measure Q

ANNUAL REPORT 2010/11

The Citizens Oversight Committee for Measure K and Measure Q (COC) is required to annually present, at a public meeting of the Board of Education, a report on the Fresno Unified Facilities Bond Measure K and Measure Q programs that includes:

1. A statement indicating whether the District is in compliance with the requirements of Article XIII A, Section 1(b)(3) of the California Constitution; and
2. A summary of the COC's proceedings and activities for the preceding year.

This Annual Report covers the period July 1, 2010 through June 30, 2011.

Measure K was approved by 67% of the voters in March 2001. It authorizes the issuance of \$199 million in general obligation bonds to finance the construction, modernization and maintenance of FUSD school facilities. Projects were identified for all district schools based on need, eligibility and school request. The purpose of Measure K is to:

- reduce school overcrowding
- make the district eligible for state matching funds
- acquire school technology and hardware
- repair plumbing and HVAC systems
- renovate and modernize deteriorating classrooms
- repair, rehabilitate, construct and acquire educational facilities and related property

Measure Q was approved by 76% of the voters in November 2010. It authorizes the issuance of \$280 million in general obligation bonds to offset state budget cuts, attract quality teachers, and repair classrooms by:

- upgrading vocational education classrooms, science labs, technology and libraries
- improving security, fire safety, restrooms, plumbing and ventilation systems
- increasing handicapped access
- securing state matching funds
- replacing deteriorating portables
- preventing dropouts by improving alternative schools
- acquiring, constructing, repairing campuses, facilities and equipment

Prop 39 Compliance

Measure K was among the first local school bonds in the state approved under the requirements of State Proposition 39, approved in November 2000. Prop 39 decreased the requirement for passage of local school facilities bonds from two-thirds (66.7%) voter approval to 55%. Prop 39 also mandates increased oversight of the bond program. Article XIII A, Section 1(b) (3) of the California Constitution specifies accountability requirements a school district must adhere to if it issues bonds under a Prop 39 election. Key requirements of Prop 39 are as follows:

- Bond proceeds may be used only for the purposes specified in the ballot measure and not for any other purpose, including teacher and administrator salaries or other school operating expenses.
- The school facilities projects funded must be listed on the ballot.
- The district must conduct an annual, independent performance audit to ensure the bond funds have been expended only on the projects listed.
- The district must conduct an annual, independent financial audit of the bond proceeds until all of those proceeds have been expended for the school facilities projects.

Bond financial reports are included in the district's annual financial audit, and quarterly performance audits are conducted and presented to the Citizens Oversight Committee by the district's external auditor. The audits test a sampling of bond expenditures to determine if they were properly expended and accounted for. The audits performed during 2010/11 concluded that each expenditure selected for testing was: expended on a bond project as per the ballot; a valid bond expenditure (project related costs); properly charged to the location indicated; and properly coded as to the type of expenditure. By approving the quarterly audits, the COC has affirmed that Fresno Unified School District is in compliance with the requirements of Article XIII A, Section 1(b) (3) of the California Constitution.

Citizens Oversight Committee for Measure K and Measure Q (COC)

The Oversight Committee was established by the Board of Education to comply with Prop 39 and ensure that bond proceeds are expended for the purposes set forth in the ballot. The purpose of the COC is to inform the public concerning the expenditure of bond proceeds. Its primary duties are to review bond project expenditures and present an annual report to the Board. The Committee bylaws were amended on January 26, 2011 to incorporate the oversight of Measure Q into the oversight responsibilities of the COC along with Measure K.

COC members are appointed by the Board (each Board member has two appointments), and the chair is appointed by the Superintendent. Members serve two-year terms with a limit of two consecutive terms. Oversight Committee members are required to live within the boundaries of FUSD; be at least 18 years old; and not be a vendor, contractor, consultant, employee or official of the district. Quarterly Oversight Committee meetings are publicly noticed and held at the Brawley Service Center.

Oversight Committee members during 2010/11 were: Kacey Auston, Mark Babcock, Francine Farber, Al Heers, Clint Horwitz, Jeffrey Mayer, Guillermo Moreno, Stafford Parker, Patricia Pointer, Chuck Riojas, Georgia Sisson, Kelly Trevino, and Nick Yovino. Fresno Unified is grateful to these individuals for their service.

Measure K Projects

Site acquisition for the new Southeast Elementary School was underway in 2010/11, with construction planned to commence in August 2011. The new school, located across from Sequoia Middle School at Cedar and Heaton, will serve up to 850 students starting in the 2012/13 school year.

During 2010/11, modernization projects funded by Measure K were in construction or design at the following schools:

Addams	Easterby	King	McCardle	Tehipite
Bullard	Eaton	Kratt	Robinson	Tioga
Columbia	Edison-Bethune	Lane	Rowell	
DeWolf	Figarden	Malloch	Slater	

The district's Measure K investment leverages over \$42 million in state funding for these projects.

Measure K-funded 2010/11 improvement projects to upgrade school facilities included:

Gym floors	Roof replacement	Electrical
Locker rooms	Carpet replacement	Lighting
Asphalt and paving	Interior and exterior painting	Heating/air conditioning
Concrete	Signal systems	Irrigation
Security cameras	Landscape	Drinking fountains
Drainage	Benches/tables/shade	Restroom upgrades

Measure Q Projects

As Measure Q was approved in November 2010, project implementation is less advanced than for Measure K. The most significant Measure Q project work during 2010/11 was master planning six high school campuses. In anticipation of the bond, planning work began in July 2010. Multiple site and community input opportunities were provided to develop long-term visions for the high schools. Master plans for Bullard, Edison, Fresno, Hoover, McLane and Roosevelt were largely completed during 2010/11, and the plans for all except Bullard were approved by the Board in March and April 2011 (Bullard's plan was approved in October 2011). Design of new buildings at Edison, Fresno and Hoover was completed, and design of modernization projects at Hamilton K-8 and Sequoia Middle School commenced. Planning also began in advance of Measure Q approval on new classroom buildings to replace portables at elementary schools eligible for funding through the state's overcrowding relief grant (ORG) program. Ground was broken on new facilities at Mayfair and Wilson elementary schools, and design work was underway for portable replacement projects at Aynesworth, Easterby, Rowell and Winchell.

Measure K and Measure Q Financial Update

To be provided.