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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Education and
Independent Citizens' Bond Oversight Committee
Fresno Unified School District
Fresno, California

We have performed the procedures enumerated in Attachment II, which were agreed to by Fresno Unified School District (the "District") and the Independent Citizens' Bond Oversight Committee for Measure X (the "Committee") on Measure X bond funds expended for the period from January 1, 2022 through March 31, 2022. Fresno Unified School District's management is responsible for the Measure X bond funds expended for the period from January 1, 2022 through March 31, 2022. The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures as described in Attachment II, either for the purpose for which this report has been requested or for any other purpose.

Background information related to the Measure X bonds is included in Attachment I. The procedures performed and conclusions reached as a result of these procedures are identified in Attachment II.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on Measure X bond funds expended for the period from January 1, 2022 through March 31, 2022. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the District and the Committee and is not intended to be, and should not be, used by anyone other than the specified parties.

Crowe LLP

Crowe LLP

Sacramento, California
May 17, 2022

FRESNO UNIFIED SCHOOL DISTRICT
MEASURE X 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.

FRESNO UNIFIED SCHOOL DISTRICT MEASURE X GENERAL OBLIGATION BONDS

On November 8, 2016, the electorate of the Fresno Unified School District approved the issuance of up to $225,000,000 in general obligation bonds with greater than 55% of the votes in favor. The abbreviated text of the ballot language was as follows:

> *"To attract / retain quality teachers and repair / upgrade schools by:*
> - *Improving classrooms, career-technical facilities, science labs, technology;*
> - *Repairing deteriorating restrooms, plumbing, air conditioning, wiring;*
> - *Removing asbestos / lead hazards;*
> - *Upgrading security cameras, lighting, fencing, fire safety;*
> - *Renovating, building, acquiring facilities / equipment;*
> - *Securing State funds;*
>
> *Shall Fresno Unified School District issue $225 million in bonds, at legal rates, requiring audits, citizens' oversight, no money for administrators' salaries, all funds spent locally?"*

The project list identified in the ballot language was specified in greater detail by the District's Board of Education.

In May 2018, the District issued Measure X General Obligation Bonds, Series A, in the amount of $59,996,623.

In August 2019, the District issued Measure X General Obligation Bonds, Series B, in the amount of $75,000,000.

In September 2020, the District issued Measure X General Obligation Bonds, Series C, in the amount of $45,000,000.

In June 2021, the District issued Measure X General Obligation Bonds, Series D, in the amount of $45,000,000.

FRESNO UNIFIED SCHOOL DISTRICT
MEASURE X GENERAL OBLIGATION BONDS
PROCEDURES PERFORMED AND CONCLUSIONS

PROCEDURES PERFORMED

Fresno Unified School District provided a list of all Measure X project expenditures from January 1, 2022 through March 31, 2022 (the "List"). An approximate total of 1,989 items were identified representing $6,710,166 in expenditures. We performed the following procedures to the List of Measure X bond expenditures:

- Verified the mathematical accuracy of the List.

- Selected a sample of 25 expenditures totaling $5,635,188. The sample was selected to provide a representation across all construction projects, vendors and expenditure amounts. The sample represented approximately 1.3% of the total number of expenditures and approximately 84% of the total expenditure value. Obtained purchase orders and invoices for each of the 25 expenditures; verified that the expenditures properly charged to the location indicated, were properly coded as to the nature of the expenditure and were made for the acquisition and construction of school facilities, including the furnishing and equipping of school facilities, and that funds were not spent for administrative salaries.

CONCLUSIONS

- The List was mathematically accurate.

- Each of the 25 expenditures tested represented valid Bond expenditures, were properly charged to the location indicated, were properly coded as to the nature of the expenditure and were determined to represent acquisition and construction of school facilities, including the furnishing and equipping of school facilities, and were not spent for administrative salaries.