

\$55,570,914.90
FRESNO UNIFIED SCHOOL DISTRICT
(Fresno County, California)
General Obligation Bonds
Election of 2001, Series G

CERTIFICATE REGARDING USE OF PROCEEDS

I am the duly appointed, qualified and acting Superintendent of the Fresno Unified School District, a unified school district duly organized and existing under the Constitution and laws of the State of California (the "District"), and as such I am authorized to execute this certificate on behalf of the District, am knowledgeable with respect to the matters set forth herein, and hereby state and certify as follows:

(1) Issuance of Bonds. On the date hereof the District is issuing its "General Obligation Bonds Election of 2001, Series G," in the aggregate principal amount of \$55,570,914.90, dated October 13, 2011 (the "Bonds").

(2) Building Fund Deposits. Of the proceeds of the sale of the Bonds received on the date hereof (the "Closing Date"), the amount of \$55,570,914.90 will be deposited into the "Fresno USD Building Fund, Election of 2001, Series G" (the "Building Fund"), held by the Fresno County Treasurer, established under a Paying Agent Agreement, dated as of October 1, 2011 (the "Paying Agent Agreement") between the District and U.S. Bank National Association, as paying agent.

(3) Description of Project. The proceeds of the Bonds deposited in the Building Fund as described above will be used to finance the capital improvements (collectively, the "Project") more particularly described in Part I of Exhibit A hereto attached and by this reference herein incorporated.

(4) Private Uses of Project. Part II of Exhibit A describes: (A) each use to be made of the Project by any private person or entity (that is, any entity *other than* (i) the District, (ii) other non-federal governmental entities, or (iii) members of the public generally), and (B) all payments (if any) directly or indirectly in respect of any use to be made of the Project by any private person or entity, which are to be made after the Closing Date.

(5) Expenditure of Project Funds. Part III of Exhibit A contains a schedule of reasonably expected expenditures of proceeds of the Bonds from the Project Fund for costs of the Project (the "Draw Down Schedule"). As of the date hereof, the District has documentation (e.g., architectural and engineering reports, plans and drawings, agreements and contracts) supporting its expectations regarding the expenditures set forth in the Draw Down Schedule. The District will maintain this documentation in accordance with the record retention requirements set forth in paragraph (8) below.

(6) No Private Loans. No portion of the proceeds of the Bonds will be used, directly or indirectly, to make or finance a loan to any person (other than a State or local government unit).

(7) Expectations Regarding Project Use for Life of Bonds. The District reasonably expects to use the Project for the purposes described in Exhibit A or for other governmental purposes of the District during the entire term of the Bonds.

(8) Practices and Procedures for Accounting for and Monitoring of Bond Proceeds. The District will, after the Closing Date, institute practices and procedures to assure that the proceeds of the Bonds are used in such a manner:

- (A) so as not to violate the provisions of the Internal Revenue Code of 1986, as amended, under which interest on the Bonds is excluded from federal income taxation, and
- (B) to comply with State and local legal requirements regarding the valid incurrence of debt and permitted uses of the proceeds of the Bonds.

These practices and procedures generally will account for and monitor (i) the expenditure and investment of Bond proceeds, (ii) the use of the Project financed with the proceeds of the Bonds, and (iii) any changes in the underlying structure of the Bond financing. These practices and procedures will include (but not be limited to) the items set forth in Exhibit B hereto.

The District will retain its records of all accounting and monitoring it carries out with respect to the Bonds for at least three years after the Bonds mature or are redeemed (whichever is earlier); however, if the Bonds are redeemed and refunded, the District will retain its records of accounting and monitoring at least three years after the earlier of the maturity or redemption of the bonds which refunded the Bonds.

The District acknowledges that the list in Exhibit B is not exclusive and covenants to comply with all tax limitations and requirements imposed with respect to the Bonds after the Closing Date. Unless otherwise set forth in the practices and procedures of the District, the person acting as chief financial officer of the District will undertake post-issuance compliance relating to the Bonds.

(9) Certifications. The above statements are made on the basis of the facts, estimates and circumstances in existence on the date hereof and I have exercised due diligence to assure that all material facts, estimates and circumstances relating to the above statements were made available to the me and reviewed by me. To the best of my knowledge, the above statements are reasonable and there are no other facts, estimates or circumstances, other than those set forth herein, that would materially affect the statements made herein.

Dated: October 13, 2011

FRESNO UNIFIED SCHOOL DISTRICT

By: 

Michael E. Hanson
Superintendent

EXHIBIT A

DESCRIPTION OF PROJECT

PART I. Detailed Description of Series G Project

The District will use the proceeds of the Bonds to finance the acquisition and construction of new schools and facilities and to improve and repair existing schools, in accordance with the ballot proposition authorizing the issuance the Bonds.

PART II. Description of Any Private Use of Project

A. Describe each use to be made of the Project by any private person or entity (that is, any entity *other than* (i) the District, (ii) other non-federal governmental entities, or (iii) members of the public generally). For this purpose, "use" includes, without limitation, sales, leases or other use agreements with respect to the Project with private, nongovernmental entities. "Use" of the Project *does not include* uses by members of the general public within the meaning of §1.141-3(c) of the Treasury Regulations (the "Regulations").

None.

B. Payments to be made on or after date hereof in respect of above uses.

None.

PART III. Schedule of Expected Expenditures of Proceeds of the Bonds

The District expects that the Bond proceeds deposited in the Project Fund (including earnings thereon to the extent those earnings remain on deposit in the Project Fund) will be fully expended by September 1, 2014.

EXHIBIT B

POST ISSUANCE COMPLIANCE

General

The District will take all appropriate action to assure that (i) no use of the proceeds of the Bonds, and no other event or action, will cause the Bonds to violate federal income tax limitations with respect to the exclusion of interest on the Bonds from federal income taxation, and (ii) all uses of proceeds of the Bonds comply with State and local legal requirements regarding the valid incurrence of debt and permitted uses of proceeds of the Bonds.

Without limiting the generality of the foregoing, the District will take the following actions to account for and monitor (i) the expenditure and investment of Bond proceeds, (ii) the use of the Project financed with the proceeds of the Bonds, and (iii) any changes in the underlying structure of the Bond financing.

Non-governmental Uses of the Bond-Financed Facilities

1. Monitor and document sales, leases or other use agreements with respect to the Project with nongovernmental entities, not including uses by members of the general public within the meaning of §1.141-3(c) of the Regulations. Compute the percent of private business use or private payments or private security with respect to those nongovernmental uses.
2. Monitor and document management contracts (see e.g., Rev. Proc. 97-13) with nongovernmental entities.
3. Monitor and document other special legal entitlements with respect to the Bond-financed property (e.g., licenses, use agreements, easements, etc.).

Allocation of Bond Proceeds to Expenditures

1. Allocate proceeds of Bonds to expenditures subject to §1.148-6(d) and §1.141-6(a) of the Regulations by 18 months after the later of the date the expenditure was made or the date the project was placed in service, but not later than the earlier of 5 years after the Bonds were issued or 60 days after the issue is retired. Document this allocation.
2. Monitor and document reimbursement of expenditures paid from non-Bond proceeds prior to the date of issue of the Bonds and verify compliance with §1.150-2 of the Regulations.

Arbitrage

1. Hire a rebate calculation agent or perform rebate calculations internally.

2. Rebate payments:
 - a. The first installment is due 60 days after the end of 5th bond year.
 - b. Succeeding installments are due 60 days after end of every 5th bond year thereafter.
 - c. The final installment is due 60 days after retirement of the last bond of the issue.
3. Monitor expenditures of Bond proceeds for qualification for rebate expenditure exceptions: 6-month exception, 18-month exception or 24-month exception.
4. Monitor expenditures of Bond proceeds against date of issuance expectations regarding 3-year or 5-year temporary periods and 5-year hedge bond limitations.

Record Retention

1. Retain records of all accounting and monitoring the District carries out with respect to the Bonds for at least three years after the Bonds mature or are redeemed (whichever is earlier); however, if the Bonds are redeemed and refunded, the District will retain its records of accounting and monitoring at least three years after the earlier of the maturity or redemption of the bonds which refunded the Bonds.
2. Maintain special records required by the safe harbor for investment contracts or defeasance escrows under §1.148-5 of the Regulations.
3. Maintain a record of the identification on the District's books and records of any "qualified hedge" contract under §1.148-4(h)(2)(viii) and §1.148-11A(i)(3) of the Regulations.
4. Maintain a record of any election not to take depreciation on property required to be owned by a governmental unit which is leased to a nongovernmental entity as required by §1.103(n)-2T Q/A7 of the Regulations.
5. Maintain records of accounting for rebate for a period of at least three years after the earlier of the maturity or redemption of the Bonds.

Reissuance

A significant modification of the Bond documents may result in the Bonds being deemed refunded or "reissued". Such an event will require, among other things, the filing of new information returns with the federal government and the execution of a new arbitrage certificate. Qualified bond counsel should be consulted in the event of modification of the Bond documents.