WHEREAS: The Board of Education (the “Board”) has determined that certain properties and facilities within the San Francisco Unified School District (the “District”), City and County of San Francisco (the “City and County”), need to be constructed and improved and certain equipment purchased to enable the District to enhance the educational opportunities of the students in the District; and

WHEREAS: In the judgment of the Board, it is in the best interest of the District to provide the funding for such needs by means of various sources including general obligation bonds; and

WHEREAS: Voters of the State of California enacted Proposition 39 on November 7, 2000 (together with Chapter 1.5, Part 10, Division 1, Title 1 (commencing with Section 15264) of the Education Code which became operative and established requirements associated with the implementation of Proposition 39, “Proposition 39”), which amends Section 1(b) of Article XIII A of the California Constitution by adding a provision that exempts from the one percent of full cash value limitation, those ad valorem taxes used to pay for debt service of any bonded indebtedness of any school district or community college district 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 at least 55% of the votes cast by voters voting on the proposition; and

WHEREAS: Voters of the District approved Proposition 39 by 69.4% (the highest percentage of any county in the State) of the votes cast by voters of the District voting on the proposition; and

WHEREAS: Voters of the State of California enacted Proposition 47 on November 5, 2002 ("Proposition 47"), which authorized $13.05 billion in State bonds to be used to match funds that local jurisdictions would generate to construct or renovate school facilities; and

WHEREAS: Voters of the District overwhelmingly approved Proposition 47 by 74.65% of the votes cast by voters of the District voting on the proposition; and
WHEREAS: The Board desires to make certain findings herein to be applicable to this election order and to establish certain performance audits, standards of financial accountability and citizen oversight which are contained in Proposition 39; and

WHEREAS: It is hereby acknowledged that under Proposition 39 the District will project that the tax rate needed to pay debt service on any bonds that will be issued will not exceed $60 per $100,000 of assessed valuation of taxable property of the District when assessed valuation is projected by the District to increase in accordance with Article XIII A of the California Constitution; and

WHEREAS: The Board has conducted an evaluation of safety, class size reduction, information technology and other needs of the District in developing the list of needed improvements in Exhibit B hereto, (the “Improvements”); and

WHEREAS: Under Proposition 39, the District will be required to conduct an annual, independent performance audit to ensure that general obligation bond proceeds have been expended only on the Improvements and the District will be required to conduct an annual, independent financial audit of the proceeds from the sale of the bonds until all such proceeds have been expended; and

WHEREAS: Under Proposition 39, the Board will be required to establish and appoint an independent citizens’ oversight committee within 60 days of the date that the Board enters the election results on its minutes pursuant to Section 15274 of the Education Code, to inform the public concerning the expenditure of bond revenues; and

THEREFORE BE IT RESOLVED: THE BOARD OF EDUCATION OF THE SAN FRANCISCO UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. All the above recitals are true and correct and this Board of Education so finds, determines and represents.

Section 2. That the Board, pursuant to Section 15264 et seq. of the Education Code, has determined in its best judgment that an election is advisable and on that basis hereby orders the City and County Director of Elections (the “Director of Elections”) to call an election and submit to the voters of the District the question of whether bonds of the District in the aggregate principal amount not to exceed $295,000,000 (the “Bonds”) shall be issued and sold for the purpose of raising money for the Improvements (the “Proposition”).

Section 3. That the date of the election shall be November 4, 2003, which is the date of a regularly scheduled local election.

Section 4. That the purpose of the election shall be for the voters in the District to vote on a proposition, substantially in the form attached hereto as Exhibit B and incorporated by reference herein, containing the question of whether the District shall issue the Bonds to pay for the Improvements to the extent permitted by such proposition; provided that such changes may be made as are requested or required by the Director of Elections and provided further that a ballot summary substantially in the form of Exhibit A attached hereto may be used as required.
Superintendent’s Proposal 37-1Sp1

Section 5. That the District will project that the tax rate needed to pay debt service on the Bonds that will be issued shall not exceed $60 per $100,000 of assessed valuation of taxable property of the District when assessed valuation is projected by the District in developing the list of Improvements.

Section 6. That the Board certifies it has conducted an evaluation of safety, class size reduction, information technology and other needs of the District in developing the list of Improvements.

Section 7. That the Board certifies it will conduct an annual, independent performance audit to ensure that the funds approved by the voters have been expended only on the Improvements approved herein and by the voters and will conduct an annual, independent financial audit of the proceeds from the sale of the Bonds in accordance with Proposition 39.

Section 8. Pursuant to Section 53410 of the Government Code, upon approval of this proposition and the sale of any bonds approved, the Board shall take actions necessary to establish an account in which proceeds of the sale of bonds will be deposited. As long as any proceeds of the bonds remain unexpended, the chief fiscal officer of the District shall cause a report to be filed no later than January 1 of each fiscal year stating 1) the amount of bond proceeds received and expended in that year and 2) the status of any project funded or to be funded from bond proceeds. The report may relate to the calendar year, fiscal year or other appropriate period as the chief fiscal officer shall determine and may be incorporated in the annual budget, any annual financial or performance audit (including the annual audits required by Proposition 39), or any other appropriate routine report to the Board.

Section 9. That the Board certifies it will establish and appoint an independent citizens’ oversight committee within 60 days of the date that the Board enters the election results on its minutes pursuant to Section 15274 of the Education Code, to inform the public concerning the expenditures of bond revenues.

Section 10. That any Bonds issued pursuant to Section 15100 of the Education Code shall have a maturity not exceeding twenty-five (25) years, and any Bonds issued pursuant to Section 53506 of the Government Code shall have a maturity of not exceeding forty (40) years and that the Bonds shall bear interest at a rate not exceeding the applicable legal limits.

Section 11. That the authority for ordering the election is contained in Section 15264 et seq. of the Education Code.

Section 12. That the authority for the specifications of this election order is contained in Section 5322 and Section 15120 of the Education Code.

Section 13. That this Resolution shall stand as the order to the Director of Elections to call an election within the boundaries of the District on November 4, 2003.

Section 14. That the Executive Assistant to the Board (the “Executive Assistant”) is hereby directed to send a certified copy of this Resolution to the Director of Elections to be received no later than July 25, 2003.

Section 15. That pursuant to Section 9500 of the Elections Code, the Director of Elections shall transmit a copy of the Proposition to the City Attorney or County counsel who shall prepare an impartial analysis of the measure, showing the effect of the Proposition on existing law and the operation of the Proposition.
Superintendent’s Proposal 37-1Sp1

Section 16. That pursuant to Section 9502 of the Elections Code, the Director of Elections is requested to fix and determine a reasonable date prior to the election after which no arguments for or against the Proposition may be submitted to the Director of Elections so as to provide a reasonable time in which to prepare and print the arguments, and to permit a 10-calendar-day public examination and to publish notice of such date once in a newspaper of general circulation published in the District. The Board requests that a copy of that published notice be delivered to the Executive Assistant to the Board, pursuant to Section 12113 of the Elections Code.

Section 17. The Executive Assistant to the Board shall publish the notice of election received from the City and County Director of Elections in the District office pursuant to Section 12113 of the Election Code.

Section 18. That pursuant to Sections 5302, 5303, 5320 and 5322 of the Education Code, the Superintendent of Schools and the Director of Elections of the City and County are hereby requested to take all steps to call and hold the election in accordance with law and these specifications.

Section 19. That the Board of Supervisors of the City and County is authorized to canvass the returns of the election pursuant to Section 10411 of the Elections Code.

Section 20. That pursuant to Section 5303 of the Education Code and Section 10002 of the Elections Code, the Board of Supervisors of the City and County is requested to permit the Director of Elections of the City and County to render all services necessary, including those services specified in Section 12105 of the Elections Code relating to the election, such services to include the mailing of the sample ballot and tax rate statement (described in Section 9401 of the Elections Code).

Section 21. That the Board requests the governing body of the City and County, or any officer otherwise authorized by law, to partially or completely consolidate the election with the regularly scheduled election of the City and County held on November 4, 2003; and that the Board consents to such consolidation.

Section 22. That the members of the Board, the Superintendent, the Chief Financial Officer and the other officers of the District are hereby authorized and directed, individually and collectively, to do any and all things and to execute, deliver, and perform any and all agreements and documents that they deem necessary or advisable in order to effectuate the purposes of this Resolution, including, without limitation, to prepare and submit for inclusion in the voter information pamphlet a tax rate statement and an argument in favor of passage of the ballot proposition. All actions heretofore taken by the officers and agents of the District that are in conformity with the purposes and intent of this Resolution are hereby ratified, confirmed, and approved in all respects.
Superintendent’s Proposal 37-1Sp1

ADOPTED by two-thirds vote of the Board of Education of the San Francisco Unified School District, City and County of San Francisco, this _______ day of July 2003, by the following vote:

AYES:

NAYS:

ABSTENTIONS:

ABSENT:

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

____________________________________________
President, Board of Education
San Francisco Unified School District

ATTEST:

____________________________________________
Superintendent of Schools
San Francisco Unified School District

Executive Assistant to the Board of Education
San Francisco Unified School District

7/1/03 (Special Meeting)
7/17/03 (Special Meeting)