NOTICE OF SPECIAL MEETING AND AGENDA
OF THE BOARD OF EDUCATION
SAN FRANCISCO UNIFIED SCHOOL DISTRICT

There will be a Special Meeting of the Board of Education, San Francisco Unified School District, on Tuesday, July 10, 2012, immediately following the Closed Session of the Board which commenced at 5:30 p.m. The Special Meeting will be held in the Superintendent’s Conference Room, 555 Franklin Street, Third Floor, San Francisco, California, for the following purpose:

AGENDA

I. SPECIAL ORDER OF BUSINESS: ACTION ITEM - Pages 1 - 32

Subject: A resolution of the Board of Education of the San Francisco Unified School District, Authorizing the Issuance of One or More Series of San Francisco Unified School District (City and County of San Francisco, California) 2012 Tax and Revenue Anticipation Notes, in an Aggregate Principal Amount not to Exceed $100,000,000, Authorizing the Preparation and Delivery of a Preliminary Official Statement, Official Statement, Notice of Sale and Approving the Form and Authorizing the Execution and Delivery of a Continuing Disclosure Certificate, and Providing for the Approval and Execution of Other Documents related Thereto and Certain Actions in Connection Therewith

Recommendation: That the Board of Education of the San Francisco Unified School District, Authorizes the Issuance of One or More Series of San Francisco Unified School District (City and County of San Francisco, California) 2012 Tax and Revenue Anticipation Notes, in an Aggregate Principal Amount not to Exceed $100,000,000, Authorizes the Preparation and Delivery of a Preliminary Official Statement, Official Statement, Notice of Sale and Approves the Form and Authorizes the Execution and Delivery of a Continuing Disclosure Certificate, and Provides for the Approval and Execution of Other Documents related Thereto and Certain Actions in Connection Therewith

II. REPORT OF CLOSED SESSION ACTIONS

III. REQUESTS TO SPEAK REGARDING GENERAL MATTERS (NON-AGENDA) 5 minutes total

This part of the Board’s Special Meeting is set aside for members of the public requesting to address the Board on general items which are not agenda items calendared for action, which are not First Readings listed in the agenda, and are not previously referred to committee and not yet returned to the Board for Action. This agenda item will be limited to five (5) minutes.

IV. ADJOURNMENT

SUPERINTENDENT OF SCHOOLS AND SECRETARY, BOARD OF EDUCATION
RESOLUTION NO. ___

A RESOLUTION OF THE BOARD OF EDUCATION OF THE SAN FRANCISCO UNIFIED SCHOOL DISTRICT, AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF SAN FRANCISCO UNIFIED SCHOOL DISTRICT (CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA) 2012 TAX AND REVENUE ANTICIPATION NOTES, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $100,000,000, AUTHORIZING THE PREPARATION AND DELIVERY OF A PRELIMINARY OFFICIAL STATEMENT, OFFICIAL STATEMENT, NOTICE OF SALE AND APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE, AND PROVIDING FOR THE APPROVAL AND EXECUTION OF OTHER DOCUMENTS RELATED THERETO AND CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, pursuant to Sections 53850 et seq. of the Government Code of the State of California contained in Article 7.6, Chapter 4, Part 1, Division 2, Title 5 thereof, entitled “Temporary Borrowing” (the “Act”), on or after the first day of any Fiscal Year (being July 1), the San Francisco Unified School District (the “District”) may borrow money by issuing notes for any purpose for which the District is authorized to use and expend moneys, including but not limited to current expenses, capital expenditures, investment and reinvestment and the discharge of any obligation or indebtedness of the District; and

WHEREAS, the District has been accorded fiscal accountability status pursuant to the Education Code of the State of California and therefore may issue tax and revenue anticipation notes in the name of the District pursuant to a resolution adopted by this Board of Education (the “Board”); and

WHEREAS, at this time the Board has determined that a sum of not to exceed $100,000,000 is needed for the requirements of the District to satisfy obligations of the District, and that it is necessary that said sum be borrowed, in anticipation of the receipt of taxes, income, revenue, cash receipts, and other moneys of the District, including moneys deposited in inactive or term deposits, to be held, received or accrued by the District during or attributable to Fiscal Year 2012-2013, by the issuance of tax and revenue anticipation notes, in one or more series, which shall be designated “San Francisco Unified School District (City and County of San Francisco, California) 2012 Tax and Revenue Anticipation Notes” (including Additional Notes (as hereinafter defined), collectively, the “Notes”), with series designations as shall be determined at the time of issuance, at a true interest cost of not to exceed 4%; and

WHEREAS, the Board has deemed it necessary and desirable to authorize the sale of the Notes by competitive sale in order to obtain the lowest interest cost on the Notes;

WHEREAS, the Notes shall be in denominations of $5,000 or integral multiples thereof as permitted by Section 53854 of the Act, shall be issued on the dates to be designated in the Notice of Sale therefor as permitted by Section 53853 of the Act, and shall be in the form and
executed in the manner prescribed in this Resolution, as permitted and required by Section 53853 of the Act; and

WHEREAS, the Notes, as required by federal tax restrictions, shall be payable not later than thirteen months after their date of issue and shall not be outstanding after a period ending thirteen months after the date on which such Notes are issued; and

WHEREAS, the Notes will be issued in an aggregate principal amount that, on the date of their issuance, will enable the District to reasonably expect that the proceeds of the Notes will qualify for an exception to the arbitrage rebate requirement set forth in Section 148(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the Treasury Regulations thereunder and related Revenue Rulings; and

WHEREAS, pursuant to Section 53854 of the Act, such Notes shall be payable only from revenue held, received or accrued during or attributable to Fiscal Year 2012-2013, and, pursuant to Section 53856 of the Act, the District may pledge any taxes, income, revenue, cash receipts or other moneys of the District, including moneys deposited in inactive or term deposits (but excepting certain moneys encumbered for a special purpose); and this Resolution specifies that certain General Fund Revenues (as defined herein) which will be held, received or accrued by the District during or attributable to Fiscal Year 2012-2013 is pledged for the payment of the Notes; and

WHEREAS, the Notes shall be a general obligation of the District and, to the extent not paid from the taxes, income, revenue, cash receipts, and other moneys of the District, including moneys deposited in inactive or term deposits, pledged for the payment thereof, shall be paid with interest thereon from any other moneys of the District lawfully available therefor, as required by Section 53857 of the Act; and

WHEREAS, it appears, and the District hereby finds and determines, that said $100,000,000 maximum aggregate principal amount of Notes to be issued by the District in Fiscal Year 2012-2013, when added to the interest payable thereon, does not exceed eighty-five percent (85%) of the estimated amount of the uncollected taxes, income, revenue, cash receipts, and other moneys of the District, including moneys deposited in inactive or term deposits, attributable to Fiscal Year 2012-2013, and available for the payment of the Notes and the interest thereon. In connection with the issuance of Additional Notes, if any, the District shall have determined that the issuance of such series of Additional Notes complies with the foregoing requirement; and

WHEREAS, no money has heretofore been borrowed by or on behalf of the District through the issuance of tax anticipation notes or temporary notes in anticipation of the receipt of, or payable from or secured by, taxes, income, revenue, cash receipts, and other moneys of the District, including moneys deposited in inactive or term deposits, that are received by the District for Fiscal Year 2012-2013; and

WHEREAS, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of tax
and revenue anticipation notes of the District, and the indebtedness of the District, including the Notes, is within all limits prescribed by law;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

SECTION 1. Recitals. All the above recitals are true and correct and the Board so finds, determines and represents.

SECTION 2. Authorization of Issuance of Notes; Terms of Notes; Paying Agent. The Board hereby determines to issue, in the aggregate principal amount of not to exceed $100,000,000, tax and revenue anticipation notes, in one or more series, pursuant to Sections 53850 et seq. of the Act, which Notes shall be designated “San Francisco Unified School District (City and County of San Francisco, California), 2012 Tax and Revenue Anticipation Notes” (with such additional designation as may be applicable if more than one coupon is assigned to the Notes as a result of the sale of the Notes). The Notes shall be numbered “1,” and consecutively upward in order of issuance if more than one Note is issued, shall be in the denomination of $5,000 and integral multiples thereof, as determined by the Deputy Superintendent of Policy and Operations of the District (the “Deputy Superintendent”), the Chief Financial Officer of the District (the “Chief Financial Officer”), or any other officer authorized by the Deputy Superintendent or the Chief Financial Officer and designated pursuant to the District Policy regarding authorized officers (each an “Authorized Officer” or, collectively, the “Authorized Officers”), shall be dated their date of delivery, shall mature (without option of prior redemption) no later than thirteen (13) months after said date of delivery, and shall bear interest, payable at maturity and computed on a 360-day year consisting of twelve 30-day months, at an interest rate to be determined at the time of sale of the Notes, but not in excess of a legal maximum interest rate of 12% per annum and not in excess of a true interest cost of 4%, provided that if the Notes mature more than twelve (12) months after the date of issuance thereof, an additional interest payment date on or before the one year anniversary of the issuance of the Notes shall be selected by the District, such selection to be conclusively evidenced by the selection thereof.

Both the principal of and interest on the Notes shall be payable, only upon surrender thereof, in lawful money of the United States of America, at San Francisco, California, by the Paying Agent (defined herein).

SECTION 3. Additional Notes. Notes of additional series (“Additional Notes”) may be issued only if (1) such Notes are payable subsequent to the payment of the first series of Notes and each other series of Notes theretofore issued and outstanding or (2)(i) no Notes previously issued under this Resolution are then outstanding or (ii) there is on deposit in the Repayment Fund (hereinafter defined) with respect to each series of Notes then-outstanding an amount equal to or greater than the sum of (A) the then unpaid principal amount of each such series of the Notes, and (B) any then unpaid interest due or to become due on each such series of the Notes.

SECTION 4. Form of Notes. The Notes will be issued in registered form without coupons substantially in the form and substance set forth in Exhibit C attached hereto and by reference incorporated herein, the blanks in said form to be filled in with the appropriate words
and figures; and that there be attached to each Note the legal opinion of Sidley Austin LLP respecting the validity of said Notes.

SECTION 5. Execution of Notes. The Notes shall be executed by manual or facsimile signature of the President of the Board or one or more of the deputys to the President of the Board, and countersigned by the manual or facsimile signature of the Secretary of the Board, with the seal of the Board affixed thereto, either manually or by facsimile impression thereof. The Notes shall not be valid unless and until the Paying Agent shall have manually authenticated such Notes.

SECTION 6. Notice of Intention to Sell. The form of Notice of Intention to Sell Notes, substantially in the form attached hereto as Exhibit A, is hereby approved for publication in conformance with State law.

SECTION 7. Furnishing of Notice of Sale. The Chief Financial Officer and the financial advisor to the District, Tamalpais Advisors, Inc. (the “Financial Advisor”), are hereby authorized and directed to cause to be furnished to prospective bidders the Notice of Sale for the Notes (the “Notice of Sale”).

SECTION 8. Authorization Regarding Bids. The Financial Advisor or Sidley Austin LLP (“Note Counsel”) are hereby authorized and directed to open the bids at the time and place specified in the Notice of Sale and to present the same to the District. The Financial Advisor and Note Counsel are hereby authorized and directed to receive and record the receipt of all bids made pursuant to the Notice of Sale, and to cause said bids to be examined for compliance with the Notice of Sale, to cause computations to be made as to the true interest cost each bidder has bid, as provided in the Notice of Sale, along with a report as to the foregoing and any other matters deemed pertinent to the award of the Notes and the proceedings for the issuance thereof.

SECTION 9. Deposit of Note Proceeds. The moneys so borrowed shall be deposited in the general fund of the District and used and expended by the District for any purpose for which it is authorized to expend funds; provided, however, that if the District directs the Note proceeds to be invested in a guaranteed investment contract pursuant to Section 20 hereof, then the Note proceeds shall be held by the Paying Agent in the capacity of fiscal agent.

SECTION 10. Payment of Notes.

(a) Source of Payment. The principal amount of the Notes, together with the interest thereon, shall be payable from taxes, income, revenue, cash receipts, and other moneys of the District that are available for the payment of current expenses and other obligations of the District, including moneys deposited in inactive or term deposits (but excepting certain moneys encumbered for a special purpose), that are received by the District during Fiscal Year 2012-2013 or accrued to the District and attributable to Fiscal Year 2012-2013 and that are lawfully available therefor (collectively, the “General Fund Revenues”). The Notes shall be a general obligation of the District, and to the extent the Notes are not paid from the Pledged Revenues defined below, the Notes shall be paid with interest thereon from any other moneys of the District lawfully available therefor.
(b) **Pledged Revenues.** As security for the payment of the principal of and interest on the Notes, the District shall set aside and deposit an aggregate amount equal to the principal amount of the Notes from General Fund Revenues by dates determined by the Chief Financial Officer or his designee. Subject to the limitations set forth in Section 9(a) above, the District hereby pledges such amounts, plus an amount sufficient to pay any interest on the Notes and any deficiency in the amount that was required to be deposited during any prior month, from General Fund Revenues received by the District in one or more months ending prior to the maturity date of the Notes and on a date during the month that includes the maturity date of the Notes, provided that such date is at least three business days prior to the maturity date of the Notes (such pledged amounts being hereinafter called the “Pledged Revenues”). The due dates (each a “Pledge Date”) and amounts required for deposit on each Pledge Date shall be as determined by the Chief Financial Officer or his designee and shall be as set forth in the final Notice of Sale.

The principal of the Notes and the interest thereon shall be a first lien and charge against and shall be payable from the first moneys received by the District from such Pledged Revenues, as provided by law.

In the event that there are insufficient General Fund Revenues received by the District to permit the deposit into the Repayment Fund (as hereinafter defined) of the full amount of Pledged Revenues to be deposited on any Pledge Date, then the amount of any deficiency shall be satisfied and made up from any other moneys of the District lawfully available for the repayment of the Notes and interest thereon.

(c) **Deposit of Pledged Revenues in Repayment Fund.** The Pledged Revenues shall be held by the Treasurer and Tax Collector of the City and County of San Francisco in a special fund designated as the “San Francisco Unified School District, City and County of San Francisco, California, 2012 Tax and Revenue Anticipation Notes Repayment Fund” (herein called the “Repayment Fund”) and applied as directed in this Resolution and the Notice of Sale. Any moneys placed in the Repayment Fund shall be for the benefit of the holders of the Notes, and, until the Notes and all interest thereon are paid or until provision has been made for the payment of the Notes at maturity with interest to maturity, the moneys in the Repayment Fund shall be applied only for the purposes for which the Repayment Fund is created.

(d) **Disbursement and Investment of Moneys in the Repayment Fund.** From the date this Resolution takes effect, all Pledged Revenues shall, when received, be deposited in the Repayment Fund. After such date as the amount of Pledged Revenues deposited in the Repayment Fund shall be sufficient to pay in full the principal of and interest on the Notes, when due, any moneys in excess of such amount remaining in or accruing to the Repayment Fund shall be transferred to the general fund of the District. On the second business day prior to the maturity date of the Notes, the moneys in the Repayment Fund shall be transferred to the Paying Agent to be used, to the extent necessary, to pay the principal of and interest on the Notes.

Moneys in the Repayment Fund, to the greatest extent possible, shall be invested by the District in investment securities as permitted by applicable California law, as it is now in effect and as it may be amended, modified or supplemented from time to time and as provided by Section 20 hereof; provided that no such investments (with the exception of the City Investment
Pool or LAIF (defined below)) shall have a maturity date later than the maturity date of the Notes.

(e) Repayment of Notes. In order to give effect to the intent of this Resolution, a 2012-2013 budget appropriation is hereby made in an amount sufficient to pay the Notes in full. Further, the 2012-2013 budget is authorized to be adjusted to reflect the projected earnings to be generated in connection with investment of Note proceeds prior to their expenditure and to reflect any investment earnings of the Repayment Fund.

SECTION 11. Sale of the Notes. The Notes shall be sold by competitive sale and under conditions set forth in the Notice of Sale, substantially in the form attached hereto as Exhibit B. Any Authorized Officer is hereby authorized and directed on behalf of the District to cause the sale of the Notes through a competitive sale, under the conditions set forth in the Notice of Sale, the form of which is hereby approved, with such changes as such Authorized Officer shall deem necessary or desirable to implement the sale of the Notes consistent with the terms of this Resolution. Such sale shall constitute conclusive evidence of the approval by the District of the Notice of Sale.

The true interest cost for the Notes shall not be in excess of 4%, the price to be received for the Notes shall not be less than 100% of the aggregate principal amount thereof; and, the Notes shall otherwise conform to the limitations specified herein.

SECTION 12. Paying Agent, Registrar, Fiscal Agent and Authenticating Agent. The Board hereby designates The Bank of New York Mellon Trust Company, N.A. as the paying agent, registrar, fiscal agent and authenticating agent for the Notes (collectively, the “Paying Agent”). The District hereby directs and authorizes the payment by the Paying Agent of the interest on and principal of the Notes when such become due and payable, from an account held by the Paying Agent in the name of the District in the manner set forth herein. The District hereby covenants to deposit General Fund Revenues and other moneys of the District lawfully available for the repayment of the Notes and interest thereon in such account at the time and in the amount specified herein to provide sufficient moneys to pay the principal of and interest on the Notes on the day on which they mature. Payment of the Notes shall be in accordance with the terms of the Notes and this Resolution.

SECTION 13. Transfer; Registration; Exchange.

(a) Transfer; Exchange. Any Note may, in accordance with its terms, be transferred or exchanged for a like principal amount of Notes in authorized denominations, on the books required to be kept by the Paying Agent under these provisions, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Note for cancellation, and, in the case of a transfer, accompanied by delivery of a written instrument of transfer, duly executed in a form approved by the Paying Agent. Notwithstanding the foregoing, no Notes shall be transferred or exchanged on the registration books maintained by the Paying Agent later than the fifteenth day prior to the maturity date of the Notes.

Whenever any Note shall be surrendered for transfer or exchange, the District shall execute and deliver a new Note or Notes of authorized denominations for a like principal
amount. The Paying Agent shall require the holder requesting such transfer or exchange to pay any tax or other governmental charge required to be paid for such transfer or exchange.

(b) Registration Books. The Paying Agent will keep or cause to be kept, at its principal office in San Francisco, California, sufficient books for the registration and transfer of the Notes, which shall at all times be open to inspection by the District. Upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such books, Notes as hereinbefore provided.

(c) Mutilated Notes. If any Note shall become mutilated, the District, at the expense of the holder of such Note, shall execute, and the Paying Agent shall thereupon authenticate and deliver a new Note of like tenor and number in exchange and substitution for the Note so mutilated, but only upon surrender to the Paying Agent of the Note so mutilated. Every mutilated Note so surrendered to the Paying Agent shall be cancelled by it and delivered to, or upon the order of, the Board on behalf of the District. If any Note shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Board on behalf of the District and the Paying Agent and, if such evidence be satisfactory to both and indemnity satisfactory to them shall be given, the Board, at the expense of the holder, shall execute, and the Paying Agent shall thereupon authenticate and deliver a new Note of like tenor and number in lieu of and in substitution for the Note so lost, destroyed or stolen (of if any such Note shall have matured or shall be about to mature, instead of issuing a substitute Note, the Paying Agent may pay the same without surrender thereof). The Paying Agent may require payment of a sum not exceeding the actual cost of preparing each new Note issued pursuant to this paragraph and of the expenses that may be incurred by the District and the Paying Agent in the premises. Any Note issued under these provisions in lieu of any Note alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the District whether or not the Note so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of this Resolution with all other Notes secured by this Resolution.

(d) Note Holders. The District and the Paying Agent may treat the person in whose name any Note is registered as the holder of such Note for the purpose of receiving payment of principal of and interest on such Note and for all other purposes. It shall be the duty of the owner of the Note to give written notice to the Paying Agent of any change in such address.

The District and the Paying Agent may treat the person in whose name any Note shall be registered as the absolute owner of such Note, and payment of the principal of and interest on any such Note shall be made only to or upon the order of the registered owner thereof or its legal representative; provided, however, if interest is payable prior to the maturity date, such interest on such Note shall be payable to the person in whose name the Note is registered on the 15th day of the calendar month preceding the month in which such interest is due by wire or check mailed to such registered owner.

(e) Cancellation of Notes. All Notes surrendered for payment or registration of transfer, if surrendered to any person other than the Paying Agent, shall be delivered to the Paying Agent and shall be promptly cancelled by it. The Board may at any time deliver to the Paying Agent for cancellation any Notes previously executed and delivered hereunder that the
Board may have acquired in any manner whatsoever, and all Notes so delivered shall promptly be cancelled by the Paying Agent. No Note shall be executed in lieu of or in exchange for any Notes cancelled as provided herein, except as expressly permitted hereunder. All cancelled Notes held by the Paying Agent shall be disposed of as directed by the Board on behalf of the District.

SECTION 14. Book-Entry System. Notwithstanding anything in this Resolution or any supplemental resolution to the contrary, the Notes shall be initially issued in the form of separate fully registered Notes. Except as provided in Section 15 hereof, all of the Notes shall be registered in the name of Cede & Co., the nominee (the “Nominee”) of The Depository Trust Company, New York, New York (“DTC”). With respect to the Notes registered in the name of the Nominee, the District and the Paying Agent shall have no responsibility or obligation to any participant or to any person on behalf of which such a participant holds an interest in the Notes. Without limiting the immediately preceding sentence, the District and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, or any participant with respect to any ownership interest in the Notes, (ii) the delivery to any participant or any other person, other than a holder as shown in the registration books of the Authenticating Agent, of any notice with respect to the Notes, or (iii) the payment to any participant or any other person, other than a holder as shown in the registration books of the Authenticating Agent, of any amount with respect to principal of or interest on the Notes. The District and the Paying Agent may treat and consider the person in whose name the Notes are registered in the registration books of the Authenticating Agent as the holder and absolute owner of such Notes for the purpose of payment of principal of, premium, if any, and interest on such Note, for the purpose of giving notices and other matters with respect to such Notes, and for all other purposes whatsoever.

The Paying Agent shall pay all principal of and interest on the Notes only to or upon the order of the respective holders, as shown in the registration books of the Authenticating Agent or their respective attorneys, duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the obligations hereunder with respect to the payment of principal of, premium, if any, and interest on the Notes to the extent of the sum or sums so paid. No person other than a holder, as shown in the registration books of the Authenticating Agent, shall receive a Note evidencing the obligation to make payments of principal, premium, if any, and interest pursuant to this Resolution and any supplemental resolution.

SECTION 15. Transfers Outside Book-Entry System. In the event (i) DTC determines not to continue to act as securities depository for the Notes, or (ii) the District determines that DTC shall no longer so act and delivers a written certificate to DTC to that effect, then the District will discontinue use of the book-entry system with DTC. If the District determines to replace DTC with another qualified securities depository, the Paying Agent shall prepare or direct the preparation of new, separate, fully registered Notes, registered in the name of such successor or substitute qualified securities depository or its nominee, or make such other arrangements acceptable to the District and DTC as are not inconsistent with the terms of this Resolution or any supplemental resolution. If the Paying Agent fails to identify another qualified securities depository to replace DTC, then the Notes shall no longer be restricted to being registered in the registration books of the Authenticating Agent in the name of the
Nominee, but shall be registered in whatever name or names holders of notes transferring or exchanging Notes shall designate in accordance with the Resolution.

SECTION 16. Payments and Notices to the Nominee. Notwithstanding any other provision of this Resolution or any supplemental resolution to the contrary, so long as the Notes are registered in the name of the Nominee, all payments with respect to principal of, premium, if any, and interest on such Notes and all notices with respect to such Notes shall be made and given, respectively, as instructed by DTC.

SECTION 17. Initial Depository and Nominee. The initial securities depository under this Resolution shall be DTC, except as provided in Section 15 hereof. The initial Nominee shall be Cede & Co., as Nominee of DTC, except as provided in Section 15 hereof.

SECTION 18. Covenants and Warranties. It is hereby covenanted that the District, its appropriate officials and the Board have duly taken, or will take, all proceedings necessary to be taken by them for the levy, collection and enforcement of the Pledged Revenues in accordance with law for carrying out the provisions of this Resolution and the Notes.

SECTION 19. Tax Covenants. The District hereby covenants that, notwithstanding any other provisions of this Resolution, it will make no use of the proceeds of the Notes or of any other amounts, regardless of the source, or of any property, or will take any action, or refrain from taking any action, that would cause the Notes to be “arbitrage bonds” within the meaning of Section 148 of the Code. The District will not make any use of the proceeds of the Notes or of any other amounts, regardless of source, or of any property, or take or omit to take any other action, that would cause the Notes to be “private activity bonds,” within the meaning of Section 141 of the Code, or “federally guaranteed” within the meaning of Section 149(b) of the Code. To that end, so long as any Notes are outstanding, the District, with respect to such proceeds and such other amounts, will comply with all requirements of Sections 141 through 149 and Section 103 and all Treasury Regulations issued thereunder, to the extent such requirements are applicable and in effect. These covenants shall survive the payment in full of the Notes. In furtherance thereof, the District will comply with the Tax Certificate to be executed by the District on the date of issuance of the Notes.


(a) Preliminary Official Statement. The form of preliminary official statement (the “Preliminary Official Statement”) relating to the Notes on file with the Secretary of the Board, with such changes as any Authorized Officer, acting in consultation with Disclosure Counsel and Tamalpais Advisors, Inc. (the “Financial Advisor”) may approve, is hereby approved. Such Preliminary Official Statement, together with any supplements thereto, shall be in form “deemed final” by an Authorized Officer of the District for purposes of Rule 15c2-12, promulgated by the Securities and Exchange Commission (“Rule 15c2-12”), but is subject to revision, amendment and completion in a final Official Statement (the “Official Statement”). The Deputy Superintendent or the Chief Financial Officer of the District or any such officer’s designee is hereby authorized and directed, for and in the name and on behalf of the District, to deliver to the Financial Advisor said Preliminary Official Statement. The Financial Advisor is hereby authorized and directed to distribute copies of the Preliminary Official Statement to persons who
may be interested in the purchase of the Notes. Each Authorized Officer, acting singly, is hereby authorized to certify on behalf of the District that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12).

(b) Official Statement. The Official Statement, in substantially the form of the Preliminary Official Statement, with such changes as any Authorized Officer of the District, acting in consultation with Disclosure Counsel and the Financial Advisor, may approve (including all information previously permitted to have been omitted by Rule 15c2-12), which approval shall be conclusively evidenced by execution by such Authorized Officer of the Official Statement and delivery thereof to the original purchaser of the Notes not later than the earlier of (i) the third business day preceding the closing date or (ii) within 7 business days of the sale of the Notes, is hereby approved. Any Authorized Officer is hereby authorized and directed to execute such Official Statement with such changes therein, deletions therefrom and modifications thereto as such Authorized Officer may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 21. Authorization to Invest in Investment Contract and LAIF. Subject to federal tax restrictions, moneys in the funds created hereunder shall be invested in investments permitted under Section 53601 of the Government Code of the State of California (the "Government Code") or in the City's Investment Pool, unless otherwise directed in writing by the District. Pursuant to Section 53601(l) of the Government Code, the following are hereby designated as authorized investments for the proceeds of the Notes and for the moneys in the Repayment Fund in the event that the District directs the investment of such moneys: (i) a guaranteed investment contract with a financial institution or insurance company that has at the date of execution thereof one or more outstanding issues of unsecured, uninsured and unguaranteed debt obligations or a claims paying ability rated not lower than "Aa2" by Moody's Investors Service and "AA-" by Standard & Poor's, in each case the funds, including the proceeds of the Notes, are to be held by the Paying Agent and (ii) the Local Agency Investment Fund ("LAIF") administered by the State of California.

SECTION 22. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate to be executed by the District and dated the date of issuance and delivery of the Notes, as originally executed and as it may be amended from time to time in accordance with the terms thereof. Any Noteholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Section. Noncompliance with this Section shall not result in acceleration of the Notes.

SECTION 23. Delivery of Notes. Any Authorized Officer is hereby authorized and directed to deliver the Notes to the original purchaser of the Notes upon payment of the purchase price therefor. All actions heretofore taken by the officers and agents of the District with respect to the sale and issuance of the Notes are hereby approved, confirmed and ratified, and the officers of the District are hereby authorized and directed, for and in the name and on behalf of this District, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to
those described in the Purchase Agreement, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Notes in accordance with, and to carry out the intent of, this Resolution.

SECTION 24. Note Counsel, Disclosure Counsel and Financial Advisor. Sidley Austin LLP is appointed Note Counsel and Disclosure Counsel and Tamalpais Advisors, Inc. is appointed Financial Advisor in connection with the District's issuance and sale of the Notes. Any Authorized Officer is hereby authorized to enter into agreements for such services on behalf of the District with Note Counsel, Disclosure Counsel and the Financial Advisor as may be necessary or appropriate.

SECTION 25. Effective Date. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Board of Education of the San Francisco Unified School District, City and County of San Francisco, this 10th day of July, 2012 by the following vote:

AYES: _____________________

NAYES: _____________________

ABSENT: _____________________

ABSTENTIONS: _____________________

______________________________  
President, Board of Education  
San Francisco Unified School District

Attest: _____________________  
Secretary, Board of Education  
San Francisco Unified School District
EXHIBIT A

FORM OF NOTICE OF INTENTION TO SELL NOTES

$_________ 1

SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(City and County of San Francisco, California)
2012 Tax and Revenue Anticipation Notes

NOTICE IS HEREBY GIVEN that the San Francisco Unified School District (the "District"), intends to offer for public sale on August __, 2012, $_________ aggregate principal amount of Tax and Revenue Anticipation Notes of the District designated "San Francisco Unified School District, (City and County of San Francisco, California) 2012 Tax and Revenue Anticipation Notes" (the "Notes"). The District intends to accept bids for the Notes at [__________], Pacific Time, via sealed bids or via the Ipreo LLC’s BiDCOMP™/ PARITY® System ("Parity").

Within 26 hours of receipt of the bids, the Chief Financial Officer of the District, or his designee, will consider the bids received and, if an acceptable bid is received, award the sale of the Notes on the basis of the lowest true interest cost so long as (i) the aggregate principal amount of the Notes does not exceed $_________, and (ii) the lowest true interest cost for the Notes does not exceed __%. In the event that no bid is awarded, the District will reschedule the sale to another date or time by providing notification through Thomson Financial (TM3) and/or Parity (the "News Services"). The District reserves the right to change the time or postpone the date of the sale to any other time or date by providing notification through the News Services.

NOTICE IS HEREBY FURTHER GIVEN that the Notes will be offered for public sale subject to the terms and conditions of a Notice of Sale (the "Notice of Sale"). A Preliminary Official Statement (which includes the Notice of Sale) will be available on or about July ___, 2012 upon request to Tamalpais Advisors, Inc., 3030 Bridgeway, Suite 340, Sausalito, CA 94965, (415) 331-4473, the financial advisor to the District for the Notes.

Dated: July ___, 2012

By: __________________________

Joseph C. Grazioli
Chief Financial Officer

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1 Preliminary, subject to change.
EXHIBIT B

FORMS OF

OFFICIAL NOTICE OF SALE
AND OFFICIAL BID FORM
FORMS OF
OFFICIAL NOTICE OF SALE
and
OFFICIAL BID FORM

$_______ *

San Francisco Unified School District
(City and County of San Francisco, California)
2012 Tax and Revenue Anticipation Notes, Series A

The San Francisco Unified School District will receive sealed bids and electronic bids for the above-referenced Notes at the place and up to the time specified below:

SALE DATE:  ________, 2012
(Subject to postponement, cancellation, modification or amendment in accordance with this Official Notice of Sale)

TIME:  _______ a.m., California Time

PLACE:  Tamalpais Advisors Inc.
3030 Bridgeway, Suite 340
Sausalito, California 94965

DELIVERY DATE:  ________, 2012

* Preliminary, subject to change.
FORM OF NOTICE OF SALE

$________
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(CITY AND COUNTY OF SAN FRANCISCO)
2012 TAX AND REVENUE ANTICIPATION NOTES, SERIES A

NOTICE IS HEREBY GIVEN that sealed bids and electronic unconditional bids will be received by the San Francisco Unified School District (the “District”) to and including the hour of _____, Pacific Time, on _____, 2012, for the purchase of all, but not less than all, of $__________ principal amount of San Francisco Unified School District (City and County of San Francisco, California), 2012 Tax and Revenue Anticipation Notes, Series A (the “Notes”). In the case of electronic bids, bids may only be submitted electronically through the Iproo LLC’s BiDCOM™/PARITY® System (“Parity”) in the manner described below. Hand-delivered bids must be delivered to Tamalpais Advisors, Inc., 3030 Bridgeway, Suite 340, Sausalito, CA 94965. Within 26 hours, the Chief Financial Officer of the District, or the designee of such officer, will consider the bids received and, if an acceptable bid is received, award the sale of the Notes on the basis of the lowest true interest cost. Notice of the award will be given promptly to the successful bidder. In the event that no bid is awarded by the designated time, the District will reschedule the sale to another date or time by providing notification through Parity and/or Thomson Financial (the “News Services”).

THE RECEIPT OF BIDS ON _____, 2012, MAY BE POSTPONED OR CANCELLED AT OR PRIOR TO THE TIME BIDS ARE TO BE RECEIVED. NOTICE OF SUCH POSTPONEMENT OR CANCELLATION WILL BE COMMUNICATED BY THE DISTRICT THROUGH THE NEWS SERVICES AS SOON AS PRACTICABLE FOLLOWING SUCH POSTPONEMENT OR CANCELLATION. Notice of the new date and time for receipt of bids shall be given through the News Services as soon as practicable following a postponement and no later than 9:00 a.m. California time on the business day preceding the new date for receiving bids.

The District reserves the right, prior to the date of the sale, to modify this Notice of Sale (this “Notice of Sale”), including changing the principal amount of Notes offered for sale, the time or date of the sale and such other changes as may be required. Any such modifications will be announced through the News Services not later than 9:00 a.m. California time on the business day preceding the date on which bids may be submitted.

This Official Notice of Sale will be submitted to Iproo LLC for posting at its website address (www.i-dealprospectus.com) and in the Parity bid delivery system. In the event the summary of the terms of sale of the Notes posted by Iproo LLC conflicts with this Official Notice of Sale in any respect, the terms of this Official Notice of Sale shall control, unless a notice of an amendment is given as described herein.

* Preliminary, subject to change
SECTION 26. TERMS RELATED TO THE NOTES


(a) Issue

The Notes will be dated the date of delivery (on or about _____, 2012) and will be in denominations of $5,000 each, or integral multiples thereof.

(b) Authority and Purpose

The Notes will be issued pursuant to the provisions of Article 7.6 (commencing with Section 53850) of Chapter 4 of Part 1 of Division 2 of Title 5 of the California Government Code and the provision of a resolution of the Board of Education of the District, dated July 10, 2012 (the “District Resolution”).

The Notes are being issued for the purpose of providing operating cash for any purpose for which the District is authorized to use and expend moneys, including, but not limited to current expenses, capital expenditures, investment and reinvestment, and the discharge of any obligation or indebtedness of the District.

(c) Preliminary Official Statement

The terms of issuance, principal and interest repayment, redemption, security, tax exemption and all other information regarding the Notes and the District are given in the Preliminary Official Statement for the Notes, dated _____, 2012 (the “Preliminary Official Statement”). Such Preliminary Official Statement, together with any supplements thereto, is in form “deemed final” by the District for purposes of SEC Rule 15c2-12(b)(1), but is subject to revision, amendment and completion in a final official statement (the “Official Statement”). The District will make available the Preliminary Official Statement, an electronic copy of which, along with related documents, will be furnished upon request made by telephone to the Financial Advisor, at (415) 331 4473. Each bidder must have obtained and reviewed the Preliminary Official Statement prior to bidding for the Notes. Bidders must read the entire Preliminary Official Statement to obtain information essential to the making of an informed decision to bid. This Notice of Sale contains certain information for quick reference only, is not a summary of the issue and governs only the terms of the sale of, bidding for and closing procedures with respect to the Notes.

(d) Interest Rate and Interest and Principal Payment Date

The interest rate to be borne by the Notes will be specified by the bidder in its bid and shall not exceed twelve percent (12.00%). Interest will be payable at maturity (expected to be
_____ 2013) calculated on the basis of a 360 day year of twelve 30 day months. Principal of the Notes will be payable at maturity (expected to be _____ 2013).

(e) Date of the Notes

The Notes will be dated the date of issuance thereof, which is expected to be _____ 2012.

(f) Minimum Bid for the Notes

Each bid for the Notes shall be for not less than 100.0% of the principal amount.

(g) No Redemption

The Notes are not subject to redemption prior to maturity.

(h) Payment

The principal of and interest on the Notes is payable on ________________, 2013. Principal of and interest on the Notes are payable in lawful money of the United States of America upon the surrender thereof at the offices of the paying agent, The Bank of New York Mellon Trust Company, N.A. (the "Paying Agent"), in San Francisco, California.

(i) Registration

The Notes will be issued only in fully registered book-entry form, registered in the name of "Cede & Co.,” as nominee of The Depository Trust Company, New York, New York ("DTC"). See the discussion of “Book-Entry System” in the Preliminary Official Statement.

(j) Security

The principal amount of the Notes and any Additional Notes (as defined the District Resolution and described under “Additional Notes” herein), together with the interest thereon, is payable from taxes, income, revenue, cash receipts, and other moneys of the District which are generally available for the payment of current expenses and other obligations of the District received by the District for the General Fund of the District during Fiscal Year 2012-2013 or accrued during Fiscal Year 2012-2013 (collectively, the “General Fund Revenues”), as provided in Section 53856 of the Act. Additional Notes may be issued only if (1) such Notes are payable subsequent to the payment of the Series A Notes and each other Series of Notes theretofore issued and outstanding or (2)(i) no Notes previously issued under THE Resolution are then outstanding or (ii) there is on deposit in the Repayment Fund (hereinafter defined) with respect to each Series of Notes then outstanding an amount equal to or greater than the sum of (A) the then unpaid principal amount of each such Series of the Notes, and (B) any then unpaid interest due or to become due on each such Series of Notes.

The principal amount of the Notes, together with the interest thereon, is payable from the General Fund Revenues. As security for the payment of the principal of and interest on the Notes, the District has agreed to set aside and deposit into the Repayment Fund: (i) by
an amount equal to [___]% of the principal amount of the Notes from General Fund Revenues received by the District on or before such date; and (ii) by [_______], an amount equal to [___]% of the principal amount plus any deficiency in the amount that was required to be set aside and deposited in the Repayment Fund by [_______], and [___]% of the interest to be due on the Notes on the Maturity Date from General Fund Revenues received by the District on or before such date (collectively, the “Pledged Revenues”). Pursuant to the District Resolution, the District has pledged such amounts, all of which constitute Pledged Revenues. The District shall deposit the Pledged Revenues on or before [_______], and [_______] (each a “Pledge Date”) with the Fiscal Agent (which shall be the Paying Agent) for deposit into the Repayment Fund established under the District Resolution.

The Pledged Revenues will be deposited by the District at the times and in the amounts set forth above in a special fund held by the Treasurer and Tax Collector of the City and County of San Francisco designated as the “San Francisco Unified School District, City and County of San Francisco 2012 Tax and Revenue Anticipation Notes Repayment Fund (the “Repayment Fund”).

The principal of the Notes and any Additional Notes and the interest thereon shall be a first lien and charge against and shall be payable from the first moneys received by the District from such Pledged Revenues, as provided by law.

In the event that there are insufficient General Fund Revenues received by the District to permit the deposit of the full amount of Pledged Revenues to be deposited with respect to such Pledge Date, then the amount of any deficiency shall be satisfied and made up from any other moneys of the District lawfully available for the repayment of the Notes and any Additional Notes and the interest thereon, but only to the extent permitted by law. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES A NOTES” in the Preliminary Official Statement.

(k) Additional Notes

The District Resolution authorizes the issuance of tax and revenue anticipation notes, including the Notes, in an amount not to exceed $100,000,000. The Notes are the initial series of notes to be issued pursuant to the District Resolution. Any such Additional Notes, if issued by the District, will mature and be payable subsequent to the maturity date of the Notes and the payment thereof. Additional Notes may be issued only if (1) such Notes are payable subsequent to the payment of the Series A Notes and each other Series of Notes theretofore issued and outstanding or (2)(i) no Notes previously issued under the Resolution are then outstanding or (ii) there is on deposit in the Repayment Fund (hereinafter defined) with respect to each Series of Notes then outstanding an amount equal to or greater than the sum of (A) the then unpaid principal amount of each such Series of the Notes, and (B) any then unpaid interest due or to become due on each such Series of Notes. See “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES A NOTES—Additional Notes” in the Preliminary Official Statement.
Legal Opinions

The Notes are sold with the understanding that the purchaser will be furnished with the approving opinion of Sidley Austin LLP ("Note Counsel"), the form of which is included in the Preliminary Official Statement and will be included in the final Official Statement. Note Counsel has been retained by the District and in such capacity Note Counsel is to render its opinion to the District upon the legality of the Notes under California law, and on the exclusion from gross income of the interest on the Notes for purposes of federal and State of California income taxes. The fees and expenses of Note Counsel will be paid from the proceeds of the Notes.

Tax Status

In the opinion of Note Counsel to the District, under current law and assuming compliance with certain covenants in the documents pertaining to the Notes and requirements of the Internal Revenue Code of 1986, as amended, as described herein, interest on the Notes is not includable in the gross income of the owners of such Notes for federal income tax purposes. In the opinion of Note Counsel, under current law, interest on the Notes is exempt from personal income taxes imposed by the State of California. See "Tax Matters" in the Preliminary Official Statement.

Paying Agent

The Bank of New York Mellon Trust Company, N.A. has been appointed the paying agent for the payment of principal and interest and for the registration of the Notes.

SECTION 27. TERMS OF THE SALE

Form and Submission of Bids

Each bid for the Notes must be: (1) for not less than all of the Notes; (2) for not less than $_______; (3) unconditional; (4) submitted with a Good Faith Deposit (see "Good Faith Deposit"); and (5) submitted (i) on the Official Bid Form attached as Exhibit A (the "Official Bid Form") or (ii) electronically via Parity, in each case not later than _____ a.m., Pacific Time, on the date of sale. For purposes of submitting all bids, the time as maintained on Parity shall constitute the official time.

Each bid, other than bids submitted electronically, must be enclosed in a separate sealed envelope addressed to the District, endorsed "Proposal for 2012 Tax and Revenue Anticipation Notes" and delivered to the District c/o Jean Buckley at the address on the cover of this Notice of Sale.

No other provider of internet bidding services and no other means of delivery (i.e. telephone, e-mail or facsimile delivery) will be accepted. The sale of the Notes will end at _____ a.m., Pacific Time, on ____, 2012. For purposes of submitting all bids, the time as maintained on Parity shall constitute the official time.
In submitting an electronic bid for the Notes through Parity, each bidder agrees to the following terms and conditions: (1) if any provision in this Notice of Sale with respect to the Notes conflicts with information or terms provided or required by Parity, this Notice of Sale, including any amendments or modifications issued through the News Services, will control; (2) each bidder will be solely responsible for making necessary arrangements to access Parity for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Notice of Sale; (3) the District will not have any duty or obligation to provide or assure access to Parity to any bidder, nor will the District be responsible for proper operation of, or have any liability for, any delays, interruptions or damages caused by the use of Parity or any incomplete, inaccurate or untimely bid submitted by any bidder through Parity; (4) the District is permitting use of Parity as a communication mechanism, and not as an agent of the District, to facilitate the submission of electronic bids for the Notes; Parity is acting as an independent contractor, and is not acting for or on behalf of the District; (5) the District is not responsible for ensuring or verifying bidder compliance with any procedures established by Parity; (6) information that is transmitted electronically through Parity will form a contract, and the bidder will be bound by the terms of such contract; and (7) information provided by Parity to bidders will form no part of any bid or of any contract between the Purchaser and the District unless that information is included in this Notice of Sale. All costs and expenses incurred by prospective bidders in connection with their submission of bids through Parity are the sole responsibility of the bidders, and the District is not responsible for any of such costs or expenses. See “Information Regarding Bids” herein.

This Notice of Sale will be submitted to Ipreo LLC for posting at its website address (www.i-dealprospectus.com) and in the Parity bid delivery system. In the event the summary of the terms of sale of the Notes posted by Ipreo LLC conflicts with this Notice of Sale in any respect, the terms of this Notice of Sale shall control, unless a notice of an amendment is given as described herein.

For purposes of the Internet bidding process, the time as displayed on Parity Page shall constitute the official time. All bids shall be deemed to incorporate the provisions of this Notice of Sale.

For further information about Parity, potential bidders may contact the Financial Advisor or Parity, phone (212) 849 5021.

NEITHER THE DISTRICT, THE FINANCIAL ADVISOR, NOR BOND COUNSEL SHALL BE RESPONSIBLE FOR, AND THE BIDDER EXPRESSLY ASSUMES THE RISK FOR ANY INCOMPLETE, INACCURATE OR UNTIMELY BID SUBMITTED VIA PARITY BY SUCH BIDDER, INCLUDING, WITHOUT LIMITATION, BY REASON OF GARbled TRANSMISSION, MECHANICAL FAILURE, ENGAGED TELEPHONE OR TELECOMMUNICATIONS LINES, OR ANY OTHER CAUSE ARISING FROM DELIVERY VIA PARITY.

(b) Information Regarding Bids

Bidders are required to submit unconditional bids specifying the rate of interest and premium, if any, at which the bidder will purchase all of the Notes. Each interest rate must be a
multiple of 1/20th of one percent or 1/8th of one percent. The interest rate to be borne by the Notes shall not exceed twelve percent (12.00%). Bidders shall specify (i) the interest rate to be borne by the Notes, (ii) the amount of premium, if any, that they will pay, in addition to the principal amount, to purchase the Notes, and (iii) the total purchase price, which price shall not be less than the principal amount of the Notes for which they have bid. No bid to purchase the Notes at a price less than par will be accepted. All bids must be made in accordance with the requirements prescribed herein. Each bid submitted through Parity shall be deemed an irrevocable offer to purchase all of the Notes on the terms provided in this Notice of Sale, and shall be binding upon the bidder.

(c) Estimate of True Interest Cost

Each bidder is requested, but not required, to state in its Official Bid Form the true interest cost of its bid to the District, which shall be considered as informative only and neither conclusive nor binding on either the bidder or the District.

(d) Award and Delivery

Unless all bids are rejected, the District will award the Notes to the qualified bidder offering the lowest true interest cost ("TIC") to the District considering the interest rate specified, and the premium, if any. The TIC will be the nominal annual discount rate which, when compounded semi-annually and used to discount the debt service on the Notes to the maturity date, calculated using the interest rate specified in the bid, results in an amount equal to the principal amount of the Notes and the premium, if any, specified in the bid. The District will not award any bid with a TIC in excess of 4.00% for the Notes. If two or more bids offer the same lowest TIC, the first bid submitted, as determined by reference to the time displayed on Parity, shall be deemed to be the winning bid. Delivery of the Notes will be made to the purchaser through DTC on or about _____, 2012 (the “Closing”), upon payment in immediately available funds to the District.

(e) Good Faith Deposit

A good faith deposit equal to 1% of the par amount of Notes is required to be submitted by wire and by no later than noon, Pacific Time, on _____, 2012 to the District. The Financial Advisor will provide wiring instructions to the successful bidder by 5 p.m., Pacific Time, on _____, 2012.

(f) Verification

All bids are subject to verification and approval by the District. The District shall have the right to deem each final bid reported on Parity immediately after the deadline for receipt of bids to be accurate and binding on the bidder. Information or calculations provided by Parity other than the information required to be provided by the bidder in accordance with this Notice of Sale is for informational purposes only and shall not be binding on any of the bidder and the District.
(g) Right of Rejection; Cancellation; Withdrawal of Notes for Sale

The CFO reserves the right to reject any and all bids received and to waive any irregularity or informality in the bids, except that the time for receiving bids shall be of the essence. The successful bidder shall have the right at its option to cancel the contract of purchase if the District shall fail to tender the Notes for delivery within 60 days from the date of sale thereof. The District may, with prior notice, withdraw the Notes for sale.

(h) Prompt Award

The CFO, or the designee of such officer, will take action awarding Notes or rejecting all bids not later than 26 hours after the expiration of the time herein prescribed for the receipt of bids, unless such time of award is waived by the respective successful bidders.

SECTION 28. OTHER TERMS AND CLOSING PROCEDURES

(a) CUSIP, CDIAC and Other Expenses of the Successful Bidder

A CUSIP number will be applied for by the successful bidder and will be printed on the executed Notes, but the District will assume no obligation for the assignment or printing of such number on said Notes or for the correctness of such number, and neither the failure to print such number on said Notes nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and make payment for said Notes. The cost for the assignment of a CUSIP number to the Notes will be the responsibility of the successful bidder.

In addition, the successful bidder will be required, pursuant to State law, to pay all fees due to the California Debt and Investment Advisory Commission (“CDIAC”). CDIAC will separately invoice the successful bidder for Notes. The successful bidder will also be responsible for payment other fees incurred in connection with the issuance of the Notes, including fees of DTC, the Municipal Securities Rulemaking Board, Securities Industry and Financial Markets Association and similar underwriting fees and charges, if any.

(b) Certificate Regarding Issue Price of the Notes

As soon as practicable, but not later than one day prior to delivery of the Notes, the successful bidder for the Notes must submit to the District a certificate regarding the issue price of the Note in the form attached hereto as Exhibit A, which certificate shall be in form and substance satisfactory to Note Counsel and shall include such additional information as may be requested by Note Counsel.

(c) Closing Certificates

At Closing the District will deliver certificates stating that (i) an Authorized Officer has reviewed the Official Statement and on such basis certifies that it does not contain any untrue statement of a material fact and does not omit to state any material fact necessary to make the statements in the Official Statement, in light of the circumstances under which they were made,
not misleading, and (ii) to the best knowledge of such official, no litigation is pending (with service of process having been accomplished) or threatened (either in State of California or federal courts) against the District: (a) seeking to restrain or enjoin the execution, sale or delivery of any of the Notes, (b) in any way contesting or affecting the authority for the execution, sale or delivery of the Notes, or (c) in any way contesting the existence or powers of the District.

(d) Continuing Disclosure

In order to assist bidders in complying with Securities and Exchange Commission Rule 15c2-12(b)(5), the District will undertake, pursuant to a Disclosure Certificate, to provide notices of the occurrence of Listed Events (as defined in the Disclosure Certificate). A form of the Disclosure Certificate is included in the Preliminary Official Statement and will also be included in the final Official Statement.

(e) Right to Modify or Amend

The District reserves the right to modify or amend this Notice of Sale in any respect; provided, however, that any such modification or amendment shall be communicated to potential bidders through Parity as described herein.

(f) Withdrawal of Notes for Sale

The District may, with prior notice, withdraw the Notes for sale.

(g) Official Statement

Within seven business days after the date of award of the Notes, and in any event no later than one business day prior to Closing, up to 25 copies of the final Official Statement will be supplied to the winning bidder at the expense of the District.
GIVEN pursuant to a resolution of the Board of Education of the San Francisco Unified School District.

Dated: __________, 2012

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

By:

Joseph C. Grazioli
Chief Financial Officer
OFFICIAL BID FORM

SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA),
2012 TAX AND REVENUE ANTICIPATION NOTES, SERIES A
(Book-Entry Only)

_____, 2012

San Francisco Unified School District
c/o Tamalpais Advisors Inc.
3030 Bridgeway Suite 340
Sausalito, CA 94965
Attn: Ms. Jean Buckley

Ladies and Gentlemen:

We, the undersigned, are hereby submitting a bid on behalf of ourselves [and others] for the San Francisco Unified School District (City and County of San Francisco, California) 2012 Tax and Revenue Anticipation Notes, Series A (the “Notes”). We have received and reviewed the Notice of Sale dated _______, 2012 for the Notes (the “Notice of Sale”) and the Official Bid Form related thereto. We acknowledge that we have received and reviewed the Preliminary Official Statement, which describes the Notes and provides certain information on the San Francisco Unified School District (the “District”). We offer to purchase all of the above-captioned Notes, more particularly described in your Notice of Sale, which is incorporated herein by reference, and made a part hereof, including the submission of the Good Faith Deposit in the amount of $________ in the form of wire transfer due by noon California Time on ______, 2012 if we are the successful bidder, at a purchase price of ________ (which purchase price is not less than [$______________]).

This offer is for the Notes bearing interest at the rate of ______.

This bid is subject to acceptance not later than 26 hours after the expiration of the time established for the final receipt of bids.

Our calculation of the true interest cost, which is considered to be informative only and not a part of the bid, is _________%.

We have noted that payment of the purchase price is to be made in immediately available federal funds at the time of delivery of the Notes. If we are the successful bidder, we will (1) advise the District of the initial public offering price of the Notes within one hour after being notified of the award of the Notes and (2) furnish a certificate, acceptable to the District, as to the “issue price” of the Notes within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended, by the delivery date of the Notes.
We represent that we have full and complete authority to submit this bid on behalf of our bidding syndicate, if any, and that the undersigned will serve as the lead manager for the group if the Notes are awarded pursuant to this bid. I certify (or declare) under penalty of perjury under the laws of the State of California that this proposal is genuine, and not a sham or collusion, nor made in the interest of or on behalf of any person not herein named, and that the bidder has not directly or indirectly induced or solicited any other bidder to put in a sham bid or any other person, firm or corporation to refrain from bidding, and that the bidder has not in any manner sought by collusion to secure for himself an advantage over any other bidder.

Respectfully submitted,

Account Manager

By: ____________________________
Address: _________________________
City: ____________________________
State: ____________________________
Telephone: ________________________

Listed below are the members of our account on whose behalf this bid is made.

_______________________________
_______________________________
_______________________________
_______________________________
EXHIBIT A

Form of Certificate as to Issue Price of the Notes

SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(CITY AND COUNTY OF SAN FRANCISCO)
2012 TAX AND REVENUE ANTICIPATION NOTES, SERIES A

CERTIFICATE AS TO ISSUE PRICE OF NOTES

This Certificate is furnished by ______________, as Original Purchaser (the "Original Purchaser") of the $__________ principal amount of San Francisco Unified School District (City and County of San Francisco) 2012 Tax and Revenue Anticipation Notes, Series A (the "Notes"), to establish the initial offering price of the Notes for purposes of determining the "issue price" of the Notes within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended (the "Code").

The Original Purchaser does hereby certify as follows:

1. The Original Purchaser reasonably expected on [______], 2012, which is the date on which the Original Purchaser agreed to purchase such Notes (the "Sale Date"), that all of the Notes purchased by the Original Purchaser would be sold to the general public (excluding bond houses, brokers and similar persons or organizations acting in the capacity of underwriters or wholesalers) at an initial offering price of ______% of the principal amount thereof (the "Initial Public Offering Price").

2. The Original Purchaser has made a bona fide offering of all of the Notes purchased by the Original Purchaser to the general public (excluding bond houses, brokers and similar persons or organizations acting in the capacity of underwriters or wholesalers) at prices not in excess of the Initial Public Offering Price. The Initial Public Offering Price is equal to $__________ (representing $__________ aggregate principal amount of the Notes, plus original issue premium of $__________).

3. The Original Purchaser first sold for cash as of the Sale Date at least ten percent of the aggregate principal amount of the Notes purchased by the Original Purchaser to the general public (excluding bond houses, brokers and similar persons or organizations acting in the capacity of underwriters or wholesalers) at prices not in excess of the Initial Public Offering Price.

4. The Initial Public Offering Price does not exceed the fair market value of the Notes as of the Sale Date.

Dated: July __, 2012

_______________, as Original Purchaser
EXHIBIT C
(Form of Note)

SAN FRANCISCO UNIFIED SCHOOL DISTRICT
(CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA)
2012 TAX AND REVENUE ANTICIPATION NOTE

INTEREST RATE: MATURITY DATE: DATED: CUSIP NO:
% per annum , 2013 , 2012

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The San Francisco Unified School District (the “District”) in the City and County of San Francisco (the “City”), California, for value received, promises to pay to the Owner named above, or registered assigns, at the office of The Bank of New York Mellon Trust Company, N.A. (the “Paying Agent”) in San Francisco, California, the Principal Amount specified above, in lawful money of the United States of America, on the Maturity Date specified above, together with interest thereon at the Rate of Interest per annum set forth above (computed on the basis of a 360-day year of twelve 30-day months) in like lawful money from the Note Date specified above until payment in full of said principal sum. Both the principal of and interest on this Note shall be payable only to the registered owner hereof upon surrender of this Note as the same shall fall due; provided, however, that no interest shall be payable for any period after maturity during which the Registered Owner fails to properly present this Note for payment.

It is hereby certified, recited and declared that this Note is one of an authorized issue of Notes entitled San Francisco Unified School District, City and County of San Francisco, California, 2012 Tax and Revenue Anticipation Notes (the “Notes”) in the principal amount of $, all of like date, tenor and effect, made, executed and given under and by authority of a resolution of the Board of Education of the District duly passed and adopted on July 10, 2012 under and by authority of Article 7.6 (commencing with Section 53850) of Chapter 4, Part 1, Division 2, Title 5, Government Code of the State of California.

The principal amount of the Notes, together with the interest thereon, shall be payable from taxes, income, revenue, cash receipts, and other moneys of the District that are available for the payment of current expenses and other obligations of the District, including moneys deposited in inactive or term deposits (but excepting certain moneys encumbered for a special purpose), that are received by the District during Fiscal Year 2012-2013 or accrued to the District and attributable to Fiscal Year 2012-2013 and that are lawfully available therefor (collectively, the “General Fund Revenues”). As security for the payment of the principal of and
interest on the Notes the District has pledged an amount equal to ______ percent (___%) of the principal amount of the Notes from the General Fund Revenues received by the District on or before ________, 20__, an amount equal to ________ percent (___%) of the principal amount of the Notes from the General Fund Revenues received by the District on or before ________, 20__, an amount equal to ________ percent (___%) of the principal amount of the Notes from the General Fund Revenues received by the District on or before ________, 20__, plus an amount sufficient to pay interest on the Notes and any deficiency in the amount required to be deposited during any prior period, from the General Fund Revenues of the District to be received in the month ending ________, 20__ (pledged amounts being hereinafter called “Pledged Revenues”); and the principal of the Notes and the interest thereon shall constitute a first lien and charge thereon and shall be payable from the first moneys received by the District from such Pledged Revenues, and to the extent not so paid shall be paid from any other moneys of the District lawfully available therefor.

This Note is transferable by the registered owner hereof in person or by his attorney duly authorized in writing at the Paying Agent in San Francisco, California, but only in the manner, subject to the limitations and upon payment of the charges provided in the Resolution, and upon surrender and cancellation of this Note except this Note shall not be transferred or exchanged later than the fifteenth day prior to the maturity date hereof. Upon such transfer a new Note or Notes of authorized denominations and for the same aggregate principal amount will be issued to the transferees in exchange herefor.

The District and the Paying Agent may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the District nor the Paying Agent shall be affected by any notice to the contrary.

It is certified and recited that all acts and conditions required by the Constitution and laws of the State of California to exist, to occur and to be performed or to have been met precedent to and in the issuing of the notes in order to make them legal, valid and binding general obligations of the District, have been performed and have been met in regular and due form as required by law; that payment in full for the notes has been received; and that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the notes.

This note shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Resolution until the Certificate of Authentication below has been signed.
IN WITNESS WHEREOF, San Francisco Unified School District, has caused this note to be executed on behalf of the District and in their official capacities by the manual or facsimile signatures of the President of the Board of Education of the District and to be countersigned by the manual or facsimile signature of the Secretary of the Board of Education of the District, and has caused the seal of the District to be affixed hereto, all as of the date stated above.

[SEAL]

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

By: ________________________________
    President, Board of Education

COUNTERSIGNED:

By: ________________________________
    Secretary, Board of Education
CERTIFICATE OF AUTHENTICATION

This note is one of the Notes described in the Resolution referred to herein which has been authenticated and registered on __________.

By: _______________________________________

[PAYING AGENT]

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers to (print or typewrite name, address and zip code of Transferee): ___________________________ this note and irrevocably constitutes and appoints attorney to transfer this note on the books for registration thereof, with full power of substitution in the premises.

Dated:

Signature Guaranteed:

_________________________________________
Commercial bank, trust company or member of a national securities exchange.

Notice: The assignor’s signature to this assignment must correspond with the name as it appears upon the face of the within note in every particular, without alteration or any change whatever, and the signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

Social Security Number, Taxpayer Identification Number or other identifying number of Assignee: __________.

DTC LEGEND

Unless this Note is presented by an authorized representative of The Depository Trust Company, New York, New York ("DTC") to the issuer or its agent for registration of transfer, exchange or payment, and any note issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of DTC and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.