

MEASURE C



FOOTHILL-DE ANZA Community College District

.....

CITIZENS' BOND OVERSIGHT COMMITTEE

2007 - 2008 ANNUAL REPORT

.....



Letter from Committee Chair

February 2, 2009

To: The Board of Trustees and Citizens of the Foothill-De Anza Community College District

The Citizens' Bond Oversight Committee is pleased to forward its second annual report on the \$490.8 million general obligation Measure C bond initiative for the 2007-2008 fiscal year.

The principal duties of the committee are to ensure that proceeds have been expended for the purposes set forth in the Measure C ballot language, report the progress annually to the public and provide a compliance statement. Foothill-De Anza's Board of Trustees is responsible for monitoring potential cost overruns, priority of projects commenced and spending levels of individual projects.

The lawsuit filed against the district regarding the bonds was resolved in 2008 in the district's favor, allowing full access to Measure C funds. The bonds were sold in May 2007 at favorable rates; a six month delay would have resulted in much higher costs. The trustees provided a bridge loan to permit the vital planning, design, engineering and project management to proceed during the lawsuit.

The committee this past year gave special scrutiny to the funds charged to the overhead accounts, labeled "Undistributed Program Indirect Costs" in the accompanying Expenditure by Category chart. They represent a significant proportion of the funds spent this last fiscal year, which is appropriate during the planning and organizational phase of the project.

This report highlights many of the active projects that will prolong the life of the district's facilities and improve the learning experience of its students. The committee relied on the annual review of expenditures performed by Perry-Smith LLP, accountants for the bond funds, which disclosed no instances of non-compliance with the terms of Proposition 39 or Measure C. The Committee wishes to report that, to the best of its knowledge, the Foothill-De Anza Community College District is in full compliance with the responsibilities as described in Article XIII A, Section 1(b)(3) of the California State Constitution. A full disclosure of expenditures and the committee's deliberations can be viewed at www.measurec.fhda.edu.

Very truly yours,



Dexter Dawes
Chair, Citizens' Bond Oversight Committee

About the District

For more than 50 years, Foothill-De Anza has demonstrated excellence and innovation in academic programs and student services. As one of the largest community college districts in the United States, Foothill-De Anza provides credit classes for more than 45,000 students annually. The colleges are active members of the League for Innovation in the Community College, a national consortium of leading two-year institutions.

Located in the heart of Silicon Valley, Foothill-De Anza serves the communities of Cupertino, Los Altos, Los Altos Hills, Mountain View, Palo Alto, most of Sunnyvale and portions of San Jose, Santa Clara and Saratoga.

About Measure C

On June 6, 2006, voters in the district's service area approved Measure C, a \$490.8 million general obligation bond measure, which will enable the district to:

- Upgrade electrical, heating, ventilation systems, fire/seismic safety;
- Repair leaky roofs;
- Improve disabled access;
- Repair/expand classrooms for nurses/paramedics;
- Upgrade technology; and
- Repair, construct, acquire, equip buildings, classrooms, libraries, sites, science/computer labs.

The Citizens' Bond Oversight Committee monitors Measure C expenditures under the rules established by Proposition 39, the Smaller Classes, Safer Schools and Financial Accountability Act, to ensure that all bond funds are spent exactly as promised and to ensure taxpayer safeguards and confidence.

Committee Meetings

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- March 3, 2009
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- September 15, 2009
- December 8, 2009

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December 2, 2008

- Review and Approval of 2007-2008 Annual Report
- Review of Agreed-Upon Procedures Report
- Review of Overhead
- Review of Energy Cost Savings
- Review of Bond List Revisions
- Review of Financial Reports
- Review of Program/Project Activity Reports

September 9, 2008

- Review of Solicitation and Appointment Process
- Review of Measure C Best Practices and Project Highlights
- Appointment of 2007-2008 Annual Report Committee
- Review of Financial Reports
- Review of Bond List Revisions
- Review of Overhead
- Website Activity Report

June 3, 2008

- Review of Measure C Litigation
- Review of Overhead
- Review of Interest Earnings
- Review of Project Stabilization Agreement
- Review of Program/Project Activity Reports
- Review of Financial Reports
- Review of Bond List Revisions

February 5, 2008

- Review of Committee Bylaws
- Review of Roles and Responsibilities
- Election of Chair/Vice-Chair
- Review of Agreed-Upon Procedures Report
- Review and Approval of 2006-2007 Annual Report
- Review of Measure C Litigation
- Review of Financial Reports

November 7, 2007

- Review of Draft Audit Reports
- Appointment of 2006-2007 Annual Report Committee
- Review of Financial Reports
- Review of Program/Project Activity Reports

August 28, 2007

- Review of Solicitation and Appointment Process
- Review of Financial Reports
- Review of Program/Project Activity Reports

For the latest Citizens' Bond Oversight Committee agendas, meeting minutes and meeting schedules please visit www.measurec.fhda.edu.

Committee Members

Ralph Adams - Taxpayer Association
Phyllis Bismanovsky - Member At Large
Dexter Dawes - Business Organization
Carol Johnson - Member At Large
James Sandstrom - Senior Citizens' Organization
Jim Walker - Foothill-De Anza Auxiliary Organization
Sarah Wiehe - Student Representative

Board of Trustees, 2007-2008

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Paul Fong, Vice President
Betsy Bechtel
Hal Plotkin
Laura Casas Frier
Confiance Dukunde, Foothill College Student Trustee
Patrick Ahrens, De Anza College Student Trustee

Chancellor

Martha J. Kanter

For additional information please visit the bond website at www.measurec.fhda.edu.

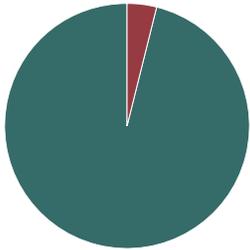
The Foothill-De Anza Community College District is committed to reducing environmental impacts through the increased use of post-consumer recycled materials.

This report was printed on FSC certified and 100% post-consumer waste paper.

Foothill-De Anza Community College District

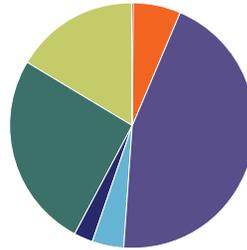
Measure C Bond Expenditures as of June 30, 2008

Expenditures



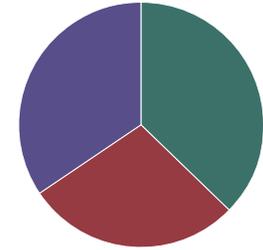
Total Bond Authorization	\$490,800,000
Interest Earned	\$9,927,795
Total Bond Funds	\$500,727,795
Total Bond Expenditures	\$19,699,388
Bond Funds Remaining	\$481,028,407

Expenditures by Category



Small Capital Projects	\$25,519
Large Capital Projects	\$1,263,653
Tech., Instructional Equip. & Vehicles	\$8,782,399
Maintenance Projects (Repairs/Upgrades)	\$848,992
Scheduled Maintenance	\$476,929
Renovation Projects	\$5,077,710
Undistributed Program Indirect Costs	\$3,224,186

Expenditures by Location



Foothill College	\$5,553,575
De Anza College	\$7,383,460
District	\$6,762,353

Measure C Active Projects as of June 30, 2008

Foothill College

- Scheduled Maintenance
- Forum
- Biology
- Convert to Adaptive Learning Center
- Radio Station
- Swing Space
- Administration Building
- Japanese Cultural Center
- Renovate Existing Footbridge
- Library and ISC
- Soccer, Softball and Baseball Complex
- LA Division Office / Classrooms
- Campus Wide Building System and Infrastructure Repairs / Upgrades
- ADA Transition Plan
- Mainline Irrigation Phase II
- Utility and Technology Infrastructure
- Replace Walkways
- Fire Alarm System Replacement Phase II
- Install Photovoltaic Arrays - Campus Wide
- Physical Sciences and Engineering Center (North Slope - Science Building)
- Parking and Circulation
- Loop Road Re-Alignment & Pedestrian Safety Improvements
- Environmental Impact Report
- Furniture, Equipment and Technology

De Anza College

- Scheduled Maintenance
- Baldwin Winery Building
- Seminar Building
- East Cottage "Historic Renovation"
- Signage (Phase I)
- Learning Center
- Campus Site Lighting (Phase I)
- ATC
- G-Building
- Auto Technology
- Multicultural Center
- Swing Space
- Forum
- Repair Tile Roofs
- S2 - S6 Utility Master Plan - Phase I
- Mediated Learning Center
- Environmental Impact Report
- Furniture, Equipment and Technology

District

- District Office / Data Center / Renovation
- Property Acquisition
- ERP Replacement
- Furniture, Equipment and Technology

Review of Expenditures

The schedule of proceeds and use of general obligation bonds for the fiscal year ended June 30, 2008, was compiled by an independent third-party auditing firm as required by Proposition 39.

The agreed-upon procedures engagement was performed by Perry-Smith LLP, Certified Public Accountants, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

The results of applying the agreed-upon procedures indicate that the expenses were for valid bond purposes. To view the complete independent accountant's report, please visit www.measurec.fhda.edu.

MEASURE C

Building More Than Buildings

Foothill - De Anza Community College District

Citizens' Bond Oversight Committee
2007 - 2008 Annual Report

Measure C Projects

Below is a small sampling of the many projects within Measure C. To see a complete list and additional detail on the status, expenditures and schedule of current and future Measure C bond projects, please visit www.measurec.fhda.edu.



Mediated Learning Center

Budget: \$54,548,613 - Est. Completion Date: Fall, 2011

Provide flexible general purpose classrooms and labs for increased instructional space and academic capacity for anthropology, sociology and world languages; technology resource area including broadcast media, film and TV, distance learning and staff development; and support spaces. The goal for this facility is to obtain a platinum rating in the Leadership in Energy and Environmental Design (LEED) Green Building Rating System™.



Campus Site Lighting (Phase I)

Budget: \$1,015,626 - Est. Completion Date: Complete

Replace the old campus walkway lighting with new, brighter lights that will improve visibility and safety.



Before

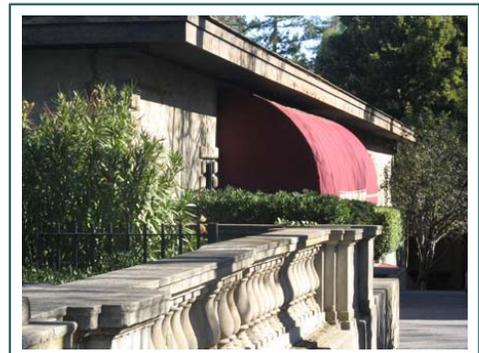


Current

Baldwin Winery Building (Old Bookstore Building)

Budget: \$5,589,839 - Est. Completion Date: Spring, 2010

Renovate former bookstore to house relocated print shop and related services. Structural, HVAC and electrical needs will be addressed to accommodate programmatic needs. The roof will be replaced.





FOOTHILL COLLEGE

Physical Sciences and Engineering Center

Budget: \$51,811,781 - Est. Completion Date: Summer, 2013

Provide modern laboratory and support spaces for chemistry, physics, nanotechnology and the Physical Sciences, Math and Engineering Division. The goal for this facility is to obtain a silver rating in the Leadership in Energy and Environmental Design (LEED) Green Building Rating System™.



Forum 5000

Budget: \$4,620,802 - Est. Completion Date: Winter, 2009

Renovate existing building with new HVAC system, electrical upgrades, smart classroom provisions, new seating and finishes. The largest lecture space on campus will be modernized with multimedia and technology to meet the needs of today's learning environment.



Furniture, Equipment and Technology

Budget: \$31,899,568 - Est. Completion Date: 15 year plan

Provide modern furniture, equipment and technology critical for delivering quality instruction and services to students.



FOOTHILL-DE ANZA
Community College District

ERP Replacement (Educational Information System)

Budget: \$11,964,758 - Est. Completion Date: Fall, 2011

The new Educational Information System (EIS), a significant capital expenditure, will replace the district's aging management information systems. The new system will greatly expand Foothill-De Anza's capacity to effectively manage information. Students will be able to register for classes more easily and track their educational progress online while also providing the district with greater capacity and flexibility in managing student, financial and human resources information. Having an integrated information system will streamline internal operations and enhance online interactions with students, employees and the public. This new system should make it easier for all students to interact with the district and also enhance the teaching and learning environment.

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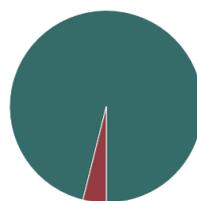
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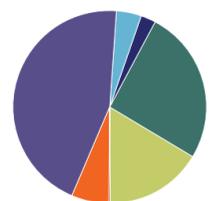


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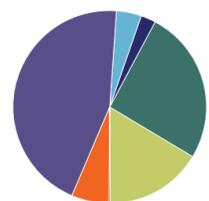
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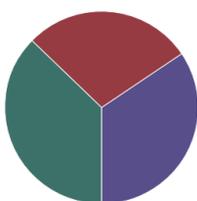
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