Annual Report to the Community

Citizens’ Bond Oversight Committee
Phase 1 & 2 Bond Issues • March 2008
A Message from the Citizens’ Bond Oversight Committee

Dear Citizens of San Francisco:

This Annual Report is submitted to the Board of Trustees by the San Francisco Community College District Citizens’ Bond Oversight Committee in fulfillment of its role and specified by law. This report represents an overview of timely and regular meetings held by the Committee during 2007.

The Committee wished to report that, to the best of its knowledge, the San Francisco Community College District is in full compliance with Article XIII A of the State of California Constitution.

Article XIII A Section 1 (b) (3) (C) of the State Constitution requires that “the school district board, community college board, or county office of education conduct an annual independent performance audit to ensure that the funds have been expended only on the specific projects listed.” In addition, Article XIII A Section 1 (b) (3) (A) of the California Constitution prohibits the use of bond funds for “teachers and administrator salaries and other school operating expenses” and “that funds can be expended only on the projects listed” and included in the bond.

As verified by the District’s independent auditors, Macias, Gini, and O’Connell, LLP, in their reports titled Schedule of Proceeds and Use of General Obligation Bonds (Election Series A, B, C) with the Independent Auditor’s Report for the Period from July 1, 2005 through June 30, 2006 and Schedule of Proceeds and Use of General Obligation Bonds (Election Series A) with the Auditor’s Report for the Period from June 20, 2006 through June 30, 2006, the San Francisco Community College District has met all requirement specified in Article 13A including the ones referenced above. The auditors’ opinions are included as attachments to this report.

The complete audit reports issued by the District’s independent auditors are available on the Bond Oversight Committee’s web page at www.ccsf.edu/Board/Bond/framefinancial.html and are also available for public inspection at the SFCCD District Business Office, 33 Gough Street, San Francisco, California and the City College of San Francisco Library, 50 Phelan Avenue, San Francisco, California.

In conclusion, it should be noted that during 2007 the College continued to make responsible progress in its bond-funded planning and construction projects as illustrated in this report.

Respectfully Submitted:
Henry Der, Chair
Citizens’ Bond Oversight Committee

<table>
<thead>
<tr>
<th></th>
<th>Current 2001 Bond Budgets</th>
<th>Current 2005 Bond Budgets</th>
<th>Combined 2001 &amp; 2005 Bond Budgets</th>
<th>Expenditures &amp; Encumbrances</th>
<th>Bond Funds Available</th>
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</thead>
<tbody>
<tr>
<td>Mission Campus</td>
<td>$33,301,434</td>
<td>$28,764,130</td>
<td>$62,065,564</td>
<td>$53,238,260</td>
<td>$8,827,304</td>
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<td>Chinatown/North Beach</td>
<td>$24,794,000</td>
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<td>$69,794,000</td>
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<td>Acquis’ of Evans Campus &amp; Retrofit</td>
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<td>Computer Network/Energy Conserves’</td>
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<td>Renovations/Remodeling/ADA</td>
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<td>Community Health &amp; Wellness Center</td>
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<td>$187,300,000</td>
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<td>New Student Development Center</td>
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<td>$15,000,000</td>
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<td>Adv. Tech/Bio Stem Cell Learning Ctr</td>
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<td>$13,200,000</td>
<td>$26,400,000</td>
<td>$1,136,590</td>
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<td>Total</td>
<td>$204,414,434</td>
<td>$249,335,130</td>
<td>$453,749,564</td>
<td>$227,673,779</td>
<td>$226,075,785</td>
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Note: Data information based from monthly bond project summary reports dated 06/30/07 issued by Accounting Dept. New Mission budgets include interest revenue earned.
INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH ARTICLE XIII A OF THE CONSTITUTION OF THE STATE OF CALIFORNIA ON THE PROCEEDS AND USE OF GENERAL OBLIGATION BONDS (ELECTION OF 2001, SERIES A, B, AND C)

The Board of Trustees
San Francisco Community College District
San Francisco, California

We have examined the San Francisco Community College District's compliance with Article XIII A of the Constitution of the State of California on the proceeds and use of general obligation bonds (Election of 2001, Series A, B, and C) for the period from July 1, 2005 through June 30, 2006. The compliance requirements are as follows:

- The Board of Trustees evaluated the list of specific projects to address the District's needs for safety, and information technology.
- Funds were properly expended for the specific projects on the Board of Trustee's published list.
- Funds were used for financing the acquisition, construction and modernization of certain property and District facilities, and no funds were used for teacher and administrator salaries and other school operating expenses.

Management is responsible for San Francisco Community College District's compliance with those requirements. Our responsibility is to express an opinion on San Francisco Community College District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about San Francisco Community College District's compliance with those requirements and by performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on San Francisco Community College District's compliance with specified requirements.

In our opinion, San Francisco Community College District complied, in all material respects, with Article XIII A relating to the proceeds and use of general obligation bonds for the period from July 1, 2005 through June 30, 2006.

This report is intended solely for the information and use of District's management, the Board of Trustees, Bond Oversight Committee, and state regulatory officials and is not intended to be and should not be used by anyone other than these specified parties.

Macias Gini & O'Connell LLP
Certified Public Accountants
Los Angeles, California
August 17, 2006

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH ARTICLE XIII A OF THE CONSTITUTION OF THE STATE OF CALIFORNIA ON THE PROCEEDS AND USE OF GENERAL OBLIGATION BONDS (ELECTION OF 2005, SERIES A)

The Board of Trustees
San Francisco Community College District
San Francisco, California

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Macias Gini & O'Connell LLP
Certified Public Accountants
Los Angeles, California
September 8, 2006
Mission Campus

Construction is completed on the new Mission Campus, which is located in the heart of the Mission District and will not only serve the educational needs, but the community as well. Many of the features of the 1935 and 1936 “art nouveau” era which influenced the design of the Bartlett Street facility have been preserved. The campus opened Fall 2007.

Main Project Elements
• Shared facilities with Downtown High School
• Multi-use spaces
• Child Development Center
• Student Services area
• Latin Parent Center
• Art Exhibit space
• Bookstore and Café
• Parking Availability

Downtown Campus

The First Floor, 2nd Floor Library, and the basement instructional facilities have been remodeled at the Downtown Campus. The Educated palate dining room has been relocated to the lobby area and the Culinary & Service Skills Training Program is experiencing a dramatic change in how it operates. The exposure of the dining room to pedestrian traffic in 4th and Mission streets means hundreds of additional customers and is transforming the Educated palate into a high-volume, vibrant restaurant.

Ocean Campus

The new Community Performing Arts and Education Center will feature a 650-seat auditorium, a black box theater, a 150-seat recital hall and associated classrooms, student rehearsal/practice rooms, faculty office and meeting space. Preliminary design has been completed and working drawings are underway. Construction is scheduled to begin Fall 2008.

CHinatown/North Beach Campus

The existing Chinatown North Beach Campus occupies 10 different locations. A new facility on the corner of Kearny and Washington street has been designed. Estimated construction cost: $325M. The new campus will include dedicated classroom space, library/learning resource center, expanded office, student support areas (i.e., admissions, counseling, financial aid, student activities and bookstore), faculty work areas, and conference rooms. The building will be designed so that the community can make use of the space for workshops or mini-conferences. Construction scheduled to begin December 2008.

John Adams Campus

The main building (former Lowell High School) was remodeled in 1911 and needs both major infrastructure and seismic repairs, as well as seismic and electrical technology upgrades. A seismic upgrade to the gym building was completed and the remodeling began early in 2003, with programs moving into this space in the spring semester. Phase 2 Buid improvements needed in this campus facility will include exterior repairs, exterior brick stabilization and window repairs. Renovations began December 2007.

Ocean Campus

The full range of student services (admissions, registration, counseling/advising, financial aid) and many other student retention and support programs are scattered throughout the Ocean Avenue Campus and typically located in spaces of a size and scope that was appropriate to a student enrollment population typical of the 1960’s. This new facility will provide for a consolidated campus that will improve services to students using a more cost-effective approach. The college has delayed the start of this project in order to pursue available state funding.

Ocean Campus

NEW STUDENT DEVELOPMENT CENTER

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