# Letter from the Chair

**To: The Board of Education and Citizens of the Cupertino Union School District**

On June 5, 2012, voters residing within the Cupertino Union School District demonstrated their confidence in the district by approving a $220 million general obligation bond measure (Measure H) under the rules established by Proposition 39. Voters approved the bond with a 66.16% affirmative vote.

I am pleased to present to you the 2018-2019 Annual Report of the Measure H Citizens' Bond Oversight Committee covering the period of July 1, 2018 through June 30, 2019. This Annual Report is submitted to the Cupertino Union School District's Board of Education and local district residents by the Cupertino Union School District's Measure H Citizens' Bond Oversight Committee in fulfillment of its role as specified by law.

The primary duties of the committee are to:

- Review bond expenditures to ensure that proceeds have been expended for the purposes set forth in Measure H
- Inform the public concerning the district's expenditures of bond proceeds
- Present to the district's governing board an annual report of the committee's proceedings and activities of the previous year
- Provide a statement indicating whether the district is in compliance with bond requirements

Included in this annual report are highlights and status updates of projects that will prolong the life of the district's facilities and improve the learning experience of its students.

During the 2018-2019 fiscal year the district expended approximately $17.6 million on Measure H projects throughout the district. The bulk of these expenditures are related to major modernization and expansion efforts at Lincoln Elementary School, Nimitz Elementary School, Stocklmeir Elementary School, Faria Elementary School, Eisenhower Elementary School, District Wide, and Montclair Elementary School.

The Citizens' Bond Oversight Committee met quarterly to review Measure H activities. At these meetings district and program management staff provided the committee with written and oral reports and presentations. Based on its review, the Committee has concluded that the District is in compliance with the requirements of Article XIIIA, Section 1(b)(3) of the California Constitution. A full disclosure of the performance and financial audits can be viewed at http://cusdbond.org/audit-information/

Respectfully submitted,

Stewart Kelly
Citizens' Bond Oversight Committee Chair

# About Measure H

On June 5, 2012, voters residing within the Cupertino Union School District passed Measure H. Measure H is a $220 million bond measure that authorizes funding for needed repairs, upgrades, and new construction projects to the District's schools. Proposition 39 required a 55% supermajority for approval; Measure H was passed by 66.16%.

**This School Repair Measure Will**:

- Fix leaky roofs
- Upgrade earthquake and fire safety systems
- Remove potentially hazardous materials from old school structures
- Keep schools clean and well-maintained
- Update science labs, computers and educational technology, so our students are prepared for the 21st-century
- Accommodate student growth by providing additional classrooms

**Specifically, the scope of the facilities repairs and upgrades fall in seven major categories:**

- Growth Accommodation
- Code, Health, and Safety
- Classrooms
- Envelope (Integrity of Building Exteriors – Paint, Doors, Locks, etc.)
- Site Work (Infrastructure and Play Surfaces)
- Support Facilities (Non-Classroom Buildings)
- District Wide Improvements (Technology Infrastructure, Equipment, etc.)

# Citizens' Bond Oversight Committee Members

**The following members were active during the 2018-2019 Fiscal Year:**

- **Mark Burns**, *Active in Business Organization (term ended)*
- **David Fung**, *At Large (term ended)*
- **Wil Fluewelling**, *At Large (appointed September 2019)*
- **Emily Lee Kelley**, *At Large*
- **Stewart Kelly**, *At Large*
- **Daniel Nguyen**, *At Large (term ended)*
- **Ruel Parent**, *Parent*
- **Jennifer Rapuano**, *Parent active in a school organization*
- **Janice Waits**, *Active in Senior Organization*
- **Erik Walukiewicz**, *At Large (appointed September 2019)*
- **Bin Zhou**, *Active in a Business Organization*

# Committee meetings held during fiscal year 2018-2019

- **September 26, 2018**
- **January 16, 2019**
- **March 13, 2019**
- **June 19, 2019**

Please visit cusdbond.org/meeting-schedule-agendas-minutes/ for meeting proceedings.

# Measure H Bond Expenditures as of June 30, 2019

| | |
|---|---|
| Bond Authorization: | $220,000,000 |
| Interest Earned[1]: | $2,684,106 |
| Total Bond Funds: | $222,684,106 |

| | |
|---|---|
| **Total Bond Expenditures** *(includes cost of issuance)**:* | **$195,498,283** |
| **Bond Funds Remaining:** | **$27,185,823** |

** Rounding variances in dollar amounts may occur.*

[1] *Includes interest earned from Series A, B and C*

# Measure H Expenditures by Category as of June 30, 2019

| | |
|---|---|
| A&E, Oversight, DSA & Other: | $42,023,850 |
| Construction & Contingency: | $143,195,782 |
| District Facilities Leases: | $2,364,634 |
| Furniture & Equipment: | $7,914,017 |

# Measure H Expenditures by School as of June 30, 2019

| | |
|---|---|
| Elementary Schools | $98,612,246 |
| Middle Schools | $77,869,203 |
| District Wide | $19,016,835 |

# Annual Performance and Financial Audits

California Proposition 39 requires annual performance and financial audits on use of general obligation bond proceeds. The performance and financial audits for the fiscal year ending June 30, 2019, were performed by an independent certified public accounting firm in accordance with generally accepted auditing standards and governmental auditing standards issued by the comptroller general of the United States. The result of the audits is that the district expended the general obligation bond proceeds in accordance with the requirements of Proposition 39.

# Measure H Budget by Location List as of June 30, 2019

| Elementary School | Budget | Expenditures |
|---|---|---|
| Blue Hills Elementary School | $7,012,146 | $1,474,642 |
| De Vargas Elementary School | $5,264,802 | $5,226,636 |
| Dilworth Elementary School | $5,188,615 | $5,188,615 |
| Collins Elementary School | $441,464 | $236,052 |
| Eaton Elementary School | $1,426,839 | $322,029 |
| Eisenhower Elementary School | $5,030,087 | $2,983,324 |
| Faria Elementary School | $5,269,977 | $3,163,978 |
| Garden Gate Elementary School | $7,456,024 | $7,482,339 |
| John Muir Elementary School | $6,266,316 | $6,266,316 |
| Lincoln Elementary School | $8,367,117 | $5,425,768 |
| McAuliffe Elementary School | $6,041,510 | $6,037,621 |
| Meyerholz Elementary School | $7,331,278 | $7,331,278 |
| Montclaire Elementary School | $7,207,213 | $7,115,301 |
| Murdock Portal Elementary School | $1,039,621 | $505,304 |
| Nimitz Elementary School | $6,569,085 | $4,165,966 |
| Regnart Elementary School | $5,761,255 | $5,761,255 |
| Sedgwick Elementary School | $5,981,760 | $5,981,760 |
| Stevens Creek Elementary School | $9,164,157 | $9,039,820 |
| Stocklmeir Elementary School | $8,418,470 | $5,744,017 |
| West Valley Elementary School | $9,160,227 | $9,160,227 |
| **Total*** | **$118,397,963** | **$98,612,246** |

| Middle School | Budget | Expenditures |
|---|---|---|
| Cupertino Middle School | $34,503,331 | $34,343,404 |
| Hyde Middle School | $7,646,225 | $7,646,255 |
| Kennedy Middle School | $7,470,180 | $7,390,516 |
| Lawson Middle School | $21,867,802 | $20,360,191 |
| Miller Middle School | $8,115,491 | $8,128,836 |
| **Total*** | **$79,603,059** | **$77,869,203** |

| District Wide | Budget | Expenditures |
|---|---|---|
| District Wide - General | $10,648,052 | $9,619,013 |
| Program Costs | $6,607,352 | $5,668,648 |
| Technology | $4,278,260 | $3,729,173 |
| Contingency | $2,682,539 | $0 |
| **Total*** | **$24,216,203** | **$19,016,835** |

** Rounding variances in dollar amounts may occur.*

# Featured Projects

### Nimitz Elementary School: Modernization
Completion Date: August 2019 | Project Budget: $6,045,603

Project information: The scope of work included ADA upgrades to site accessibility, and restrooms, a new fire alarm service, replacement of finishes (flooring, paint, tackable walls, and selected ceiling), refurbishing of casework, window treatments, improvements of plumbing fixtures and HVAC, exterior painting, and door replacements.

### Lincoln Elementary: Modernization
Completion Date: August 2019 | Project Budget: $6,585,898

Project information: The scope of work included ADA upgrades to student and staff restrooms, improved accessibility for drinking fountains, plumbing fixtures and casework in classrooms, and painting of the exterior trim. Buildings received a new fire alarm/intercom service, replacement of finishes (flooring, paint, tackable walls, and selected ceiling), refurbishing of casework, and window treatments at classrooms.

### Faria Elementary: Modernization
Completion Date: August 2019 | Project Budget: $4,594,471

Project information: The scope of work included ADA upgrades to site accessibility, and restrooms, a new fire alarm service, replacement of finishes (flooring, paint, tackable walls, and selected ceiling), refurbishing of casework, window treatments, improvements of plumbing fixtures and HVAC, exterior painting, and door replacements.

### Stocklmeir Elementary School: Modernization
Completion Date: August 2019 | Project Budget: $6,189,030

Project information: This project included upgrades to restrooms, a new fire alarm service, replacement of finishes (flooring, paint, tackable walls and selected ceilings) refurbishing of casework, window treatments at classrooms and exterior painting of the building trim. Temporary classroom spaces were used to house students displaced due to the modernization. The site also received upgrades to the sewer system, additional exterior lighting, repair of ramps to portables and an enlarged bike cage area.

### Eisenhower Elementary School: Modernization
Completion Date: August 2019 | Project Budget: $4,501,212

Project information: The project includes the following: upgrades to restrooms, a new fire alarm service, replacement of finishes (flooring, paint, tackable walls and selected ceiling), refurbishing of casework, window treatments at classrooms and exterior painting of the building trim, additional exterior lighting, a ball wall, and additional lunch tables.