



June 6, 2025

The Honorable Scott R.L. Young  
Presiding Judge of the Superior Court  
825 Brown Street  
Napa, California 94559

***Re: 2024-2025 Napa County Civil Grand Jury Final Report, Helping Napa Public Schools Make the Grade: Does Bond Financing Pass the Test?***

Dear Judge Young:

This letter constitutes the response of the Board of Trustees (the "Board") of the Napa Valley Unified School District (the "District") to Findings 1 through 6, on page 13, and Recommendations R1 through R6, on page 14, of the Napa County Civil Grand Jury on the referenced Final Report, dated March 31, 2025 (the "Report"). This response was presented to the District's Governing Board (Board) for its review and approval at a duly noticed regularly scheduled meeting of the Board on June 12, 2025.

The District thanks and acknowledges the members of the 2024-2025 Napa County Civil Grand Jury for their time and effort in evaluating the various and complex challenges that most California school districts face to provide adequate facilities for their students, considering decreasing funding from state and federal sources.

Respectfully,

Rosanna Mucetti, Ed. D.  
Superintendent

Cc: Foreman, 2024-2025 Grand Jury

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NAPA VALLEY UNIFIED SCHOOL DISTRICT  
RESPONSE TO THE FINDINGS AND RECOMMENDATIONS IN THE  
2024-2025 NAPA COUNTY CIVIL GRAND JURY REPORT REGARDING  
“HELPING NAPA PUBLIC SCHOOLS MAKE THE GRADE:  
DOES BOND FINANCING PASS THE TEST?”

**Grand Jury Findings and District Responses**

F1: “Bond financing is the primary source of funding for addressing the capital needs of the Napa Valley Unified School District.”

**RESPONSE TO F1**

The Napa Valley Unified School District (“NVUSD”) agrees with this finding. As noted by the Grand Jury in the Summary of the Report, bond financing has been the primary source of funding for school district facility construction and improvements for several years. As further noted on Pages 5 and 6 of the Report, the funding received by California school districts from LCFF allocations is variable and is fully spent to support core expenses, such as teacher and staff salaries and benefits, utilities, and other operational costs, leaving no funds available for capital needs. In addition, federal funding is typically restricted to special projects. This leaves only local funding, such as bond finance or developer’s fees, and funding made available through the State’s School Facility Program, available for construction and improvement of capital facilities. However, when School Facility Program funding is made available by the State, a local funding match is also required. NVUSD will continue to make every effort to identify and apply for, or collect, as applicable, any funding available for school facilities.

F2: “The NVUSD website is complex to navigate, making it challenging to access bond financial data and reports.”

**RESPONSE TO F2**

NVUSD disagrees with this finding. NVUSD takes immense pride in its communications, including the content and ease of navigation of its website. NVUSD understands the community’s need to access clear and readily available information via its website and has put significant effort into facilitating such access. This effort resulted in a 2025 Award of Merit from the California School Public Relations Association for the high quality of our 27 school websites and district website. That said, NVUSD recognizes that ease of access can vary based on the user.

Since the Grand Jury did not provide any examples supporting this finding in its Report, it is difficult to address it. However, NVUSD notes that for the last several years, it has provided information to the community concerning the sources of funds for school facilities, bond project information and reports and updates on its current projects through its facilities webpage ([NVUSD Facility Improvement](#)). This information includes links to the pages that summarize projects being financed with proceeds of bonds issued under Measures H and A2. The webpages for each Measure include links to summaries of the relevant project expenditures as well as links to the Bond Oversight Committee's webpages, to which committee documents and reports are posted and which include links to the relevant Financial and Performance Audits. To further facilitate access to the Financial

and Performance Audits, NVUSD will add links to those reports in the main webpage for each Measure. NVUSD has added a page listing the projects it anticipates financing with Measure B bond funds and will add links to relevant financial and project data in the future.

In line with its ongoing efforts to provide the community more access to information, NVUSD is working with its communications consulting firm and has, among other things, developed a digital communication strategy, which will include changes to the website and additional social media content to communicate project updates and more effectively educate the community about the fiscal realities school districts face and why bond funding is needed for facilities projects.

F3: “Charging NVUSD employee salaries against bond funds, while permissible in limited circumstances, may reduce public trust by contradicting public pledges and bond ballot language that states, “no funds for administrators.””

#### RESPONSE TO F3

NVUSD disagrees with this finding. As noted in the Report, the question of whether a school district may use Proposition 39 bond proceeds to pay all or a portion of the salaries of employees performing oversight work on capital projects authorized by a voter-approved bond measure was submitted to the California Attorney General in 2004. On November 9, 2004, the California Attorney General issued Opinion No. 04-110 (AG Opinion No. 04-110) answering this question with an unequivocal yes. The conclusion of the Attorney General was as follows:

“A school district may use Proposition 39 school bond proceeds to pay the salaries of district employees to the extent they perform administrative oversight work on construction projects authorized by a voter-approved bond measure.” (See page 8 of AG Opinion No. 04-110)

In reaching this conclusion, the California Attorney General specifically determined that the language in Proposition 39 prohibiting the use of school bond proceeds for “teacher and administrator salaries and other school operating expenses” does not encompass the payment of salaries of school district employees who perform administrative oversight work on construction projects approved by a voter approved bond measure. The Attorney General explained that bond funds must be spent on administrative oversight tasks intended to ensure that projects are “properly coordinated; that each step satisfies the specifications; that invoices are reviewed, revised where appropriate, and paid in a timely manner; that costs do not exceed the project’s budget; and that the project is completed on schedule.” (See page 5 of AG Opinion No. 04-110). The Attorney General also noted that the choice is between paying consultants under contract to perform such tasks or “school district employees with expertise in project management” who might be able to perform it at a lower cost.

The Attorney General, referencing the provision of the California Constitution article XIII A, section 1, subdivisions (b)(3)(C) and (b)(3)(D), also highlighted that certain administrative tasks are expressly required by Proposition 39 as a condition of qualifying for the 55 percent voter approval requirement. As such, the Attorney General concluded, those types of administrative costs are project

administration costs that relate directly to the bond projects and may be funded with Proposition 39 school bond proceeds unless specifically prohibited.

By using the wording of Proposition 39 in the ballot of its Proposition 39 bond measures, NVUSD intends to convey the message that the Attorney General explained. Namely, bond proceeds will be used solely to pay for costs related to the projects listed on the bond measure. As noted by the Attorney General, this may include using bond funds for all required administrative oversight work performed for a listed project, or for the list of projects, by either NVUSD employees or consultants.

F4: “NVUSD does not adequately inform the general public that the Citizen Bond Oversight Committees play critical roles in satisfying California’s Proposition 39 (2000), which requires school boards to establish independent oversight committees and conduct annual financial and performance audits until all bond funds have been spent.”

#### RESPONSE TO FINDING 4

NVUSD disagrees with this finding. In connection with each approved Bond Measure, NVUSD informs the public that a citizen’s Bond Oversight Committee (“BOC”) is being established to comply with California’s Proposition 39 (2000) requirements. In addition, as part of its recruitment efforts, both when initially establishing the BOC and when new committee members are needed, NVUSD prints ads in the local paper and distributes information to the public concerning the BOC. NVUSD staff also personally discuss the BOC requirements and needs during interactions with members of the community. The ads that are printed and the information provided by the NVUSD explain the position(s)/roles that need to be filled in the BOCs.

To ensure that the role of the BOC is understood by the public, NVUSD makes the Resolution establishing the BOC for each Bond Measure and the Bylaws governing the actions to be taken by such BOC available in full on the website. The application forms for positions in the BOCs are available in each Bond Measure’s webpage and, in addition to listing the membership requirements, the application provides a link to the website and an email link to NVUSD staff for any member of the public who has questions or wishes to request or easily locate additional information.

NVUSD notes that, thanks to its running ads and its staff’s recruiting efforts, its BOCs have more than the minimum of seven members legally required. In fact, despite the small margin by which Measure B was approved, NVUSD received 16 formal applications from citizens interested in serving Measure B BOC, as well as several informal inquiries from community members interested in the committee’s establishment and composition.

F5: “NVUSD Bond Oversight Committees lack thorough and independent training on the roles, scope of work, relationship with school district personnel, and authority of its members.”

#### RESPONSE TO FINDING 5

NVUSD disagrees with this finding. To the extent this finding is accurate, any deficiencies in training are not due to lack of effort on NVUSD’s part. NVUSD provides substantial training, as well as information concerning training opportunities, to the members of its BOCs. Initial training on the duties of the BOC and the support available from NVUSD to carry out those duties is provided

through attorneys retained and paid for by the District. NVUSD staff also provide information to the members of each BOC concerning training opportunities verbally during the meeting and by embedding links in BOC Meeting Agendas to training opportunities available through independent sources, such as the California Association of Bond Oversight Committees. NVUSD staff have been informed by at least one committee chair that she has consistently participated in the training offered and that she frequently encourages other BOC members to participate.

All NVUSD can do is continue to provide information and continue to make the training opportunities available to its BOC members. NVUSD is grateful for the time and effort its BOCs members dedicate to serving in the BOC and reporting to the community.

F6: “The creation and execution of NVUSD’s 2016-2025 Facilities Master Plan had only limited public participation.”

#### RESPONSE TO FINDING 6

NVUSD agrees with this finding but notes that NVUSD’s process complied with all applicable laws and that limited public participation was warranted in this instance. NVUSD, like all California school districts, has limited funds available for capital projects. In 2016, NVUSD staff and industry experts retained by NVUSD determined that all such limited funds were needed and would, in fact, be insufficient without access to additional sources of funds to address necessary and critical deferred maintenance and improvements. Accordingly, NVUSD’s 2016-2025 Facilities Master Plan primarily addresses legally required and, in some instances, urgent deferred maintenance projects that impact health and safety, such as HVAC, roofing, and other similar and essential repairs, improvements, and replacements to existing school facilities. These projects were discussed in a publicly agendized NVUSD Board Study Session, where members of the public were able to hear staff presentations on the facilities maintenance needs and provide input to the Governing Board. The Facilities Master Plan was adopted at a subsequent meeting of the Governing Board, where another opportunity for public input was again provided.

NVUSD recognizes that the California Department of Education (CDE) provided best practices guidance almost forty years ago, and that this guidance includes an outline and process for the development of long range facility master plans known as the Guide to Development of Long-Range Facilities Plan (the “CDE Guide”). The CDE Guide strongly recommends that the planning process involves the right people, at the proper time and defines functions and responsibilities in terms of particular areas of competence. While the CDE Guide also recommends substantial community involvement, it recognizes that a key function of a long-range facilities master plan is to address future growth and changing educational needs.

Since NVUSD was not (and is not) in a position to include projects that do not directly address deferred maintenance, safety, access, and other minimum facilities standards, limited public participation was warranted. For these legally required and deferred maintenance projects, NVUSD needed and obtained the input of industry experts and experienced facilities staff to identify required deferred maintenance work to be done and required facilities improvements to address health and safety considerations, as well as legal compliance requirements, such as access.

This does not mean that no bond funding has been allocated for other purposes, such as technology upgrades to ensure that our students have access to the necessary educational tools. However, NVUSD had to walk a fine line to ensure that the community would not expect or anticipate new construction or facilities modification projects that NVUSD would not be able to deliver.

### **Grand Jury Recommendations and District Responses**

R1: “NVUSD should maintain an ongoing campaign using multiple media outlets and distribution tools to inform stakeholders and the general public on the details and progress of the projects associated with bond fund allocations, and do so by September 30, 2025.”

#### **RESPONSE TO R1:**

This recommendation is being implemented by NVUSD. As noted in the Report, in January of 2025, NVUSD retained Q Communications to provide communications support for the Measure B Bond Program. It is NVUSD’s goal to proactively communicate project updates and milestones, to inform the community that bonds are essential to finance school facility and equipment improvements, and to highlight the positive impact that such improvements have on student engagement and learning.

R2: “Narrow bond measure election results strongly suggest that NVUSD should build community trust by proactively distributing information and updates to inform the general public on how bond funds are being allocated and used, and do so by September 30, 2025.”

#### **RESPONSE TO R2:**

This recommendation is being implemented by NVUSD. A key component of the communications strategy NVUSD and its communications consultants are working on is geared toward building trust with the community through transparent and consistent communications concerning the expenditure of Measure B bonds, including finding alternative ways to communicate the information that is available to the community on NVUSD’s website.

R3: “NVUSD should continue its current practice to refrain from using bond funds for any district salaries, operating expenses, or other administrative activities.”

#### **RESPONSE TO R3:**

This recommendation is being implemented. NVUSD has and will continue to refrain from spending bond proceeds for any “teacher and administrator salaries and other school operating expenses” within the meaning of Proposition 39 as explained and interpreted by the California Attorney General in its Opinion No. 04-110. NVUSD notes that, while it is not currently allocating bond proceeds to defray the costs of staff providing eligible administrative oversight of projects funded with Measure H bonds, it does anticipate using some proceeds of Measure B bonds for such purposes when Measure B projects ramp up.

As noted by the Attorney General, administrative oversight work on capital projects must be performed either by “private consultants under contract with the school district or by school district employees with expertise in project management.” (see page 5 of AG Opinion No. 04-110). Furthermore, “[s]chool district employees with the requisite expertise may be able to perform project management work at less cost to NVUSD than if the work were performed by private consultants.”



(See page 7 of AG Opinion No. 04-110). With respect to project oversight, California school Districts must ensure adequate project management either by defraying a portion of the salary of a District employee or by hiring consultants. Most of the time, the expertise, time, and effort of one or more District employees and one or more consultants are required to adequately perform administrative oversight work on projects and to properly manage all the projects funded by bonds issued under an approved bond measure.

The LCFF is the only other source of funds available to pay the salaries of District employees working on project management, but LCFF funding is spent on the cost of regular operations, such as teacher and staff salaries and benefits, books and supplies, and other operating expenses. Given the amount of time that NVUSD facilities staff spend in administrative oversight of bond-funded projects, NVUSD believes the fiscally responsible thing to do is to use bond proceeds to defray a portion of the salaries of District employees familiar with its facilities needs to provide project oversight instead of retaining additional private consultants at a higher cost to do the same work. Information concerning those and other project expenditures is included in the financial audits prepared for bonds issued under an approved bond measure, in accordance with Proposition 39 applicable requirements.

R4: “NVUSD should inform the general public about the role of bond oversight committees and actively encourage stakeholder groups, especially community members and parents of students, to participate in such committees, effective no later than 90 days after the publication of this 2024-2025 Napa County Civil Grand Jury report.”

RESPONSE TO R4:

This recommendation is being implemented. NVUSD agrees that ongoing information and updates concerning the work of the BOCs must be provided. NVUSD primarily provides that information through the BOCs webpages, which are readily accessible from NVUSD’s facilities webpage ([NVUSD Facility Improvement](#)). It is NVUSD’s intention to work with its communications consultant to make changes to the webpage to make it even more accessible and to identify and implement other methods to communicate the required information to the community. The District regularly receives applications from qualified people interested in serving in a BOC. As a result, all the BOCs currently have more members than the minimum seven members legally required, including at least one member for each of the five categories of community members that must be included in the BOC. Therefore, NVUSD is not actively seeking additional members. NVUSD will continue to reach out to community groups and parent groups when forming a new committee or filling vacancies in existing committees and will continue accepting applications from interested members of the community at all times.

R5: “NVUSD should arrange for independent training of Citizen Bond Oversight Committees, starting with the new Measure B committee, and do so by September 30, 2025.”

RESPONSE TO R5:

This recommendation is currently being implemented. Since before the passage of Measure H, NVUSD has made and will continue to make, as long as any Proposition 39 bonds remain unspent, or

as long as legally required, information and training to facilitate the BOC members' performance of their duties. The following training, information, and support are provided and made available to members of each of its BOCs:

- initial and refresher training on the role and responsibilities of the BOC members as outlined in the Education Code, commencing with section 15278, is provided by legal counsel;
- training on Brown Act requirements is provided by legal counsel;
- information on the training and resources available through the California Association of Bond Oversight Committees (CABOC), which is in no way affiliated with NVUSD, is provided and discussed during BOC meetings and, since January of 2023, weblinks to CABOC training videos are embedded on BOC agendas so that BOC members can access them at any time; and
- legal counsel is present at each meeting of the BOCs to answer questions any BOC member might have.

R6: “NVUSD should implement fully its existing facilities planning policy by establishing a Facilities Advisory Committee consisting of staff, parents/guardians, and business, local government, and other community representatives, and do so before a new Facilities Master Plan is created and no later than June 30, 2026.”

#### RESPONSE TO R6:

NVUSD is currently working with industry specialists to develop an updated 5-year Facilities Master Plan (the “2025 FMP”) to comply with the applicable statutory and regulatory provisions enacted by the State under Proposition 2, including the regulations, requirements and guidelines established by the Department of General Services and the Office of Public-School Construction for funding allocations. NVUSD will prepare the 2025 FMP in compliance with Proposition 2 requirements to place NVUSD in the best possible position to secure State funding for the deferred maintenance and improvement projects identified on the Measure B project list.

NVUSD established a Facilities & Technology Committee in 2019 to ensure that its facilities and technology support classroom instruction and district operations. Because of the high demand for facilities and technology projects within NVUSD, this committee meets multiple times a year, and the meetings are open to the public. The calendar of meetings is set by the committee and is aligned with Board meeting dates to ensure that the facilities and technology project needs are met in a timely manner. NVUSD believes that encouraging public participation and attendance at the committee meetings, without imposing the time commitments and obligations that committee members are subject to, would facilitate public involvement.

NVUSD notes that it adopted a 5-year Facility Master Plan in February of 2021 (the “2021 MPP”). Prior to adoption of the 2021 MPP, staff led a public board study session outlining the goals for the NVUSD “Modernization Program Plan”, which included a discussion on the logic behind focusing on modernization of existing facilities taking into consideration the declining enrollment, the then-current facilities needs assessments, and basic student and staff facility needs.



The 2021 MPP was the guiding principle in the creation of the project lists for Bond Measures A1, A2, and B. Due to the nature of this plan, which focuses on modernizing existing building systems, community engagement was primarily conducted following site facility needs assessments. Since the 2021 MPP did not propose significant changes to campus layouts or facility use, broader outreach was limited. However, the community was actively engaged during the Measure A1, A2, and B campaigns. The goals of the 2021 MPP were shared through multiple venues and communication methods, including outreach to parents, staff, and other stakeholders who were encouraged to message the plan within their own networks. NVUSD intends to similarly engage the community in connection with the implementation of the goals of the 2025 FMP.

NVUSD is currently working on completing projects funded by Measures A2 and is ramping up for large-scale summer construction at eight sites funded by Measure B. This is consistent with the plan communicated to the community where NVUSD committed to getting as much as possible completed the very first summer. This was made possible by the early planning and engagement completed by the District. By starting large-scale construction and completing it in the first summer, the District will be able to minimize escalation costs and keep the promises made to the community.

The District's current Facilities Master Plan, or the 2021 MPP, is valid through 2026. This plan will be updated to comply with Prop 2 and the five-year requirement for updates. Additionally, it will be aligned with the projects and promises made to the voters.

### **Engagement Going Forward for Facilities Planning**

In order to understand the District's plan for the engagement process for facilities planning, it is important to differentiate between two facilities planning documents. These two plans are as follows:

- 1) Measure B Bond Implementation Plan
- 2) Facilities Master Plan

### **Measure B Bond Implementation Plan**

The purpose of the Measure B Implementation Plan is to outline the scope of work, approximate timing, and budget for the projects the District committed to as part of Measure B. The projects for Measure B's Bond Implementation Plan were chosen prior to the passage of Measure B and were based on input from the community and industry experts such as architects and contractors. The District anticipates that the Measure B Bond Implementation Plan will take approximately 5-6 years to complete and utilize all Measure B funds.

### **Facilities Master Plan**

The purpose of the Facilities Master Plan is to identify the overall facilities needs for the District, including hopes and goals for the future. The scope and costs associated with this type of plan typically exceed the given bond funding and can sometimes include projects that are nice to have such as new sports or theater facilities. This can cause confusion within the community, as it may seem like a promise to the community even though it is not funded. Should the District be in a position where the items promised in Measure B are complete and the District has the ability to

consider projects that are nice to have, instead of must be completed, the District will commit to extensive engagement around the Facilities Master Plan.

Some districts choose to include both new construction and existing facilities upgrades in their Facilities Master Plan. NVUSD is focused on upgrading existing facilities to better meet the needs of students and staff, taking an approach that extends the life of existing assets. The District desires to ensure that these plans are aligned, to the greatest extent possible, and do not cause confusion by including nice-to-have projects. Near-term engagement around this plan will focus on basic facilities needs.