



**BOARD OF TRUSTEES
REGULAR BOARD MEETING**

Board of Trustees
Joyce Dalessandro
Barbara Groth
Beth Hergesheimer
Amy Herman
John Salazar

Superintendent
Ken Noah

Union High School District

**THURSDAY, JANUARY 19, 2012
6:30 PM**

**DISTRICT OFFICE BOARD ROOM 101
710 ENCINITAS BLVD, ENCINITAS, CA. 92024**

Welcome to the meeting of the San Dieguito Union High School District Board of Trustees.

PUBLIC COMMENTS

If you wish to speak regarding an item on the agenda, please complete a speaker slip located at the sign-in desk and present it to the Secretary to the Board prior to the start of the meeting. When the Board President invites you to the podium, please state your name, address, and organization before making your presentation.

Persons wishing to address the Board on any school-related issue not elsewhere on the agenda are invited to do so under the "Public Comments" item. If you wish to speak under Public Comments, please follow the same directions (above) for speaking to agenda items. Complaints or charges against an employee are not permitted in an open meeting of the Board of Trustees.

In the interest of time and order, presentations from the public are limited to three (3) minutes per person, per topic. The total time for agenda and non-agenda items shall not exceed twenty (20) minutes. An individual speaker's allotted time may not be increased by a donation of time from others in attendance.

In accordance with the Brown Act, unless an item has been placed on the published agenda, there shall be no action taken. The Board may 1) acknowledge receipt of the information, 2) refer to staff for further study, or 3) refer the matter to the next agenda.

PUBLIC INSPECTION OF DOCUMENTS

In compliance with Government Code 54957.5, agenda-related documents that have been distributed to the Board less than 72 hours prior to the Board Meeting will be available for review on the district website, www.sduhsd.net and/or at the district office. Please contact the [Office of the Superintendent](#) for more information.

CONSENT CALENDAR

All matters listed under Consent are those on which the Board has previously deliberated or which can be classified as routine items of business. An administrative recommendation on each item is contained in the agenda supplements. There will be no separate discussion of these items prior to the time the Board of Trustees votes on the motion unless members of the Board, staff, or public request specific items to be discussed or pulled from the Consent items. To address an item on the consent calendar, please follow the procedure described under *Comments on Agenda Items*.

CLOSED SESSION

The Board will meet in Closed Session to consider qualified matters of litigation, employee negotiations, student discipline, employee grievances, personnel qualifications, or real estate negotiations which are timely.

CELL PHONES/PAGERS

As a courtesy to all meeting attendees, please set cellular phones and pagers to silent mode and engage in conversations outside the meeting room.

In compliance with the Americans with Disabilities Act, if you need special assistance, disability-related modifications, or accommodations, including auxiliary aids or services, in order to participate in the public meetings of the District's Governing Board, please contact the [Office of the Superintendent](#). Notification 72 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accommodation and accessibility to this meeting. Upon request, the District shall also make available this agenda and all other public records associated with the meeting in appropriate alternative formats for persons with a disability.

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
BOARD OF TRUSTEES
REGULAR BOARD MEETING**

AGENDA

**THURSDAY, JANUARY 19, 2012
6:30 PM**

**DISTRICT OFFICE BOARD ROOM 101
710 ENCINITAS BLVD., ENCINITAS, CA. 92024**

PRELIMINARY FUNCTIONS (ITEMS 1 – 6)

- 1. CALL TO ORDER; PUBLIC COMMENTS REGARDING CLOSED SESSION ITEMS 5:30 PM
- 2. **CLOSED SESSION** **5:31 PM**
 - A. To consider personnel issues, pursuant to Government Code Sections 11126 and 54957; limited to consideration of the appointment, employment, evaluation of performance, discipline /release, dismissal of a public employee or to hear *complaints or charges brought against such employee by another person or employee unless the employee requests a public session.* (2 Issues)
 - B. To conference with Labor Negotiators, pursuant to Government Code Section 54957.8.
Agency Negotiators: Superintendent and Associate Superintendents (3)
Employee Organizations: San Dieguito Faculty Association / California School Employees Association
 - C. To conference with legal counsel to discuss current and/or potential litigation, pursuant to Government Code Sections 54956.9(b)(3)(A), (D), and (E) (2 issues): *Lewis v San Dieguito Union High School District (case #37-2009-00055315-CU-PO-NC)*, and potential litigation.
 - D. Consideration and/or deliberation of student discipline matters (3 cases)

REGULAR MEETING / OPEN SESSION **6:30 PM**

- 3. RECONVENE REGULAR BOARD MEETING / CALL TO ORDER BOARD PRESIDENT
* WELCOME / MEETING PROTOCOL REMARKS
- 4. PLEDGE OF ALLEGIANCE
- 5. REPORT OUT OF CLOSED SESSION
- 6. APPROVAL OF MINUTES OF THE ORGANIZATIONAL BOARD MEETING OF DECEMBER 8, 2011
Motion by _____, second by _____, to approve the Minutes of the December 8th Board Meeting, as shown in the attached supplement.

NON-ACTION ITEMS (ITEMS 7 - 10)

- 7. STUDENT UPDATES STUDENT BOARD REPRESENTATIVES
- 8. BOARD REPORTS AND UPDATES BOARD OF TRUSTEES
- 9. SUPERINTENDENT’S REPORTS, BRIEFINGS, AND LEGISLATIVE UPDATES KEN NOAH
- 10. SCHOOL UPDATE, ADULT EDUCATION DENISE STANLEY, PRINCIPAL

CONSENT AGENDA ITEMS (ITEMS 11 - 15)

Upon invitation by the President, anyone who wishes to discuss a Consent Item should come forward to the lectern, state his/her name and address, and the Consent Item number.

11. SUPERINTENDENT

- A. GIFTS AND DONATIONS
Accept the Gifts and Donations, as shown in the attached supplement(s).

B. FIELD TRIP REQUESTS

Accept the Field Trips, as shown in the attached supplement(s).

12. HUMAN RESOURCES

A. PERSONNEL REPORTS

Approve matters pertaining to employment of personnel, salaries, leaves of absence, resignations, changes in assignments, extra duty assignments, and consultant services:

1. Certificated and/or Classified Personnel Reports, as shown in the attached supplement(s).

13. EDUCATIONAL SERVICES

A. APPROVAL/RATIFICATION OF AGREEMENTS
(None Submitted)

14. PUPIL SERVICES

A. APPROVAL/RATIFICATION OF NON-PUBLIC SCHOOL / NON-PUBLIC AGENCY CONTRACTS, INDEPENDENT CONTRACTOR AGREEMENTS, AND/OR MEMORANDUMS OF UNDERSTANDING

Approve entering into the following non-public school / non-public agency master contracts (NPS/NPAs), independent contractor agreements (ICAs), and or memorandums of understanding (MOUs), and authorize Christina M. Bennett or Eric R. Dill to execute all pertinent documents.

1. Devereux Cleo Wallace, during the period December 12, 2011 through June 30, 2012.
2. Devereux Texas Treatment Network, during the period December 19, 2011 through June 30, 2012.
3. K.I.D.S. Therapy Associates, Inc., to provide assistance to district Occupational Therapist by attending IEP meetings, assisting with occupational therapy assessments, and making observations and recommendations for therapy, during the period October 1, 2011 through December 30, 2011, for a fee not to exceed \$510.00 per diem, to be expended from the General Fund/Restricted 06-00.
4. Amanda Gretsch, MS, OTR/L, to provide assistance to district Occupational Therapist by attending IEP meetings, assisting with occupational therapy assessments, and making observations and recommendations for therapy, during the period January 1, 2012 through June 30, 2012, for a fee not to exceed \$750.00 per assessment or \$125.00 per hour, to be expended from the General Fund/Restricted 06-00.

B. APPROVAL/RATIFICATION OF PARENT SETTLEMENT AND RELEASE AGREEMENTS
(None Submitted)

15. BUSINESS

A. APPROVAL/RATIFICATION OF AGREEMENTS

Approve/ratify entering into the following agreements and authorize Christina M. Bennett, Eric R. Dill, or Ken Noah to execute the agreements:

1. En Pointe Technologies for Microsoft School/Campus Agreement for all district computers and servers, during the period February 1, 2012 through January 31, 2015, for an estimated annual amount of \$57,124.50, to be expended from the General Fund 03-00.
2. City of San Diego Parks & Recreation Department, Carmel Valley Recreation Center, for lease of facilities for Carmel Valley Middle School off-campus PE classes, during the period September 6, 2011 through January 6, 2012, for an amount not to exceed \$1,795.50, to be expended from the General Fund 03-00.
3. SDSU Research Foundation WIC Program for the San Diego WIC Dietetic Internship, to provide interns to the San Dieguito Union High School District Nutrition Services Department, during the period January 20, 2012 until terminated with 90 day written notification, at no cost to the district.

4. Diverse Network Associates, Inc. dba Catapult K12, to provide district website design, active directory integration, website hosting, CMS software, and content migration as needed for a one time set up/design fee of \$4,498.00, \$39.00 per hour for content migration, and website hosting fees of \$1,428.00 per year, during the period January 20, 2012 until terminated, to be expended from the General Fund 03-00.
5. Fishman Haygood Phelps Walmsley Willis & Swanson, LLP (Fishman Haygood), Levin Papantonio Thomas Mitchell Echsner & Proctor, PA (Levin Papantonio), Schneider Wallace Cottrell Brayton Konecky, LLP (Schneider Wallace), Powers & Merchant, PLLC (P&M) collectively known as Fishman Haygood, Levin Papantonio, Schneider Wallace and P&M, to provide legal representation on a contingency fee based financial matter, during the period January 20, 2012 until completed, at no cost to the district.
6. SSO Easy, LLC, to provide a perpetual license for a single sign on solution to district software applications, for an amount not to exceed \$5,200.00, to be expended from the General Fund 03-00.

B. APPROVAL/RATIFICATION OF AMENDMENT TO AGREEMENTS

Approve/ratify amending the following agreements and authorize Christina M. Bennett or Eric R. Dill to execute the agreements:

1. 22nd District Agricultural Association/Del Mar Fairgrounds, amending the off-site patron parking and shuttle bus service contract amount to be paid to the District for the 2012 term to \$134,000.00.

C. RATIFICATION OF CONTRACTS
(None Submitted)

D. ACCEPTANCE OF CONSTRUCTION PROJECTS
(None Submitted)

- E. APPROVAL OF BUSINESS REPORTS**
Approve the following business reports:
1. Purchase Orders
 2. Membership Listing
 3. Replacement Warrant

ROLL CALL VOTE FOR CONSENT AGENDA..... (ITEMS 11 - 15)

_____ Joyce Dalessandro	_____ Marisa Blanke, San Dieguito Academy,
_____ Barbara Groth	_____ Eddie Gelman, Torrey Pines High School
_____ Beth Hergesheimer	_____ McKenzie Kastl, La Costa Canyon High School
_____ Amy Herman	_____ Lexi Zao, Sunset High School
_____ John Salazar	_____ Jon Zhang, Canyon Crest Academy

DISCUSSION / ACTION ITEMS (ITEMS 16 - 17)

16. ADOPTION OF RESOLUTION / 2010/2011 REPORT ON STATUTORY SCHOOL FEES AND FINDINGS
Motion by _____, second by _____, to adopt the resolution regarding statutory school fees and report for fiscal year 2010-2011, and findings in compliance with Government Code sections 66006 and 66001, as shown in the attached supplements.
17. ACCEPTANCE OF 2010-11 ANNUAL AUDIT
Motion by _____, second by _____, to accept the 2010-11 annual audit of the San Dieguito Union High School District, as prepared by Wilkinson, Hadley, King & Co. LLP, as shown in the attached supplement.

INFORMATION ITEMS..... (ITEMS 18 – 28)

18. REVISION OF 2012-13 INSTRUCTIONAL CALENDAR

This item is being submitted for review and will be resubmitted to the Board for approval on February 2, 2012.

19. DISTRICT ANALYSIS, CALIFORNIA VOTING RIGHTS ACT, 2010 CENSUS POPULATION COUNTS AND DEMOGRAPHICS OF THE SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

This item is being presented to the Board for review and information only.

20. 2012-13 STATE BUDGET UPDATE.....ERIC DILL, ASSOCIATE SUPERINTENDENT, BUSINESS SERVICES

This item is being presented to the Board for review and information only.

21. BUSINESS SERVICES UPDATE..... ERIC DILL, ASSOCIATE SUPERINTENDENT

22. HUMAN RESOURCES UPDATE TERRY KING, ASSOCIATE SUPERINTENDENT

23. EDUCATIONAL SERVICES UPDATE..... RICK SCHMITT, ASSOCIATE SUPERINTENDENT

24. PUBLIC COMMENTS

In accordance with the Brown Act, unless an item has been placed on the published agenda, there shall be no action taken. The Board may 1) acknowledge receipt of the information, 2) refer to staff for further study, or 3) refer the matter to the next agenda. (See Board Agenda Cover Sheet)

25. FUTURE AGENDA ITEMS

26. **ADJOURNMENT TO CLOSED SESSION** (AS NECESSARY)

A. To consider personnel issues, pursuant to Government Code Sections 11126 and 54957; limited to consideration of the appointment, employment, evaluation of performance, discipline /release, dismissal of a public employee or to hear *complaints or charges brought against such employee by another person or employee unless the employee requests a public session.*

(2 Issues)

B. To conference with Labor Negotiators, pursuant to Government Code Section 54957.8.

Agency Negotiators: Superintendent and Associate Superintendents (3)

Employee Organizations: San Dieguito Faculty Association / California School Employees Association

C. To conference with legal counsel to discuss current and/or potential litigation, pursuant to Government Code Sections 54956.9(b)(3)(A), (D), and (E) (2 issues): *Lewis v San Dieguito Union High School District* (case #37-2009-00055315-CU-PO-NC), and potential litigation.

D. Consideration and/or deliberation of student discipline matters (3 cases)

27. REPORT FROM CLOSED SESSION (AS NECESSARY)

28. MEETING ADJOURNED

The next regularly scheduled Board Meeting will be held on [Thursday, February 2, 2012, at 6:30 PM](#) in the SDUHSD District Office Board Room 101. The District Office is located at 710 Encinitas Blvd., Encinitas, CA, 92024.



MINUTES
OF THE
SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
BOARD OF TRUSTEES
ORGANIZATIONAL BOARD MEETING

Board of Trustees
Joyce Dalessandro
Barbara Groth
Beth Hergesheimer
Amy Herman
John Salazar

Superintendent
Ken Noah

DECEMBER 8, 2011

THURSDAY, DECEMBER 8, 2011
6:30 PM

DISTRICT OFFICE BOARD ROOM 101
710 ENCINITAS BLVD., ENCINITAS, CA. 92024

PRELIMINARY FUNCTIONS..... (ITEMS 1 – 6)

1. President Hergesheimer called the meeting to order at 6:00 PM to receive public comments on Closed Session agenda items. No public comments were presented.
2. CLOSED SESSION (ITEM 2)
The Board convened to Closed Session at 6:01 PM to:
 - A. To consider personnel issues, pursuant to Government Code Sections 11126 and 54957; limited to consideration of the appointment, employment, evaluation of performance, discipline /release, dismissal of a public employee or to hear *complaints or charges brought against such employee by another person or employee unless the employee requests a public session.* (2 Issues)
 - B. To conference with Labor Negotiators, pursuant to Government Code Section 54957.8.
Agency Negotiators: Superintendent and Associate Superintendents (3)
Employee Organizations: San Dieguito Faculty Association / California School Employees Association
 - C. To conference with legal counsel to discuss current and/or potential litigation, pursuant to Government Code Sections 54956.9(b)(3)(A), (D), and (E) (1 case): Lewis v San Dieguito Union High School District (case #37-2009-00055315-CU-PO-NC).
 - D. Consideration and/or deliberation of student discipline matters (1 case)

OPEN SESSION / ATTENDANCE

BOARD OF TRUSTEES

Joyce Dalessandro
Beth Hergesheimer
Amy Herman
Barbara Groth
John Salazar

STUDENT BOARD REPRESENTATIVES

Marisa Blanke, San Dieguito Academy
Eddie Gelman, Torrey Pines High School
Lexi Zao, Sunset
Jon Zhang, Canyon Crest Academy

DISTRICT ADMINISTRATORS / STAFF

Ken Noah, Superintendent
Eric Dill, Associate Superintendent, Business Services
Terry King, Associate Superintendent, Human Resources
Rick Schmitt, Associate Superintendent, Educational Services
Bruce Cochrane, Executive Director, Pupil Services
Christine Bennett, Director, Purchasing/Risk Management
Bryan Marcus, Principal, Diegueño Middle School
Becky Banning, Recording Secretary

3. RECONVENE REGULAR MEETING / CALL TO ORDER (ITEM 3)
The regular meeting of the Board of Trustees was called to order at 6:32 PM by President Hergesheimer.
4. PLEDGE OF ALLEGIANCE (ITEM 4)
Lexi Zao led the pledge of Allegiance.
5. REPORT OUT OF CLOSED SESSION (ITEM 5)
The board met in closed session and approved the recommended expulsion of student #667079. No other reportable action was taken. (4 ayes; 1 no; 0 abstain; 0 absent) Motion carried.
6. APPROVAL OF MINUTES OF BOARD WORKSHOP AND REGULAR BOARD MEETING OF NOVEMBER 17, 2011
It was moved by Ms. Dalessandro, seconded by Ms. Herman, to approve the Minutes of the [November 17, 2011](#) meetings (2), as presented. Motion unanimously carried.

ORGANIZATION OF THE BOARD (ITEM 7)

- 7a. NOMINATION / ELECTION OF BOARD PRESIDENT
It was moved by Ms. Groth, seconded by Ms. Herman, that nominations be closed and that Ms. Dalessandro be elected President of the Board for 2012. Motion unanimously carried.
- 7b. PASSING OF THE GAVEL TO THE NEWLY ELECTED PRESIDENT OF THE BOARD
Current President Beth Hergesheimer passed the gavel and to the newly elected president.
- 7c. RECOGNITION OF OUTGOING PRESIDENT
Superintendent Noah acknowledged Ms. Beth Hergesheimer by presenting her with a gift and bouquet of flowers.
- 7d. ELECTION OF VICE PRESIDENT
It was moved by Ms. Herman, seconded by Ms. Hergesheimer, that nominations be closed and that Ms. Groth be elected Vice-President of the Board for 2012. Motion unanimously carried.
- 7e. ELECTION OF CLERK
It was moved by Ms. Hergesheimer, seconded by Ms. Groth, that nominations be closed and that Ms. Herman be elected Clerk of the Board for 2012. Motion unanimously carried.
- 7f. APPOINTMENT OF BOARD REPRESENTATIVE / NORTH CITY WEST JOINT POWERS AUTHORITY
It was moved by Ms. Herman, seconded by Mr. Salazar, that Mr. Eric Dill be appointed to serve as Board Representative to the North City West Joint Powers Authority, for 2012. Motion unanimously carried.
- 7g. APPOINTMENT OF ALTERNATE REPRESENTATIVES / NORTH CITY WEST JOINT POWERS AUTHORITY
It was moved by Ms. Hergesheimer, seconded by Ms. Herman, that Superintendent Ken Noah and Ms. Groth be appointed to serve as Alternate Representatives to the North City West Joint Powers Authority, for 2012. Motion unanimously carried.
- 7h. ESTABLISH DATE, TIME AND PLACE OF REGULAR MEETINGS OF THE BOARD FOR 2012
It was moved by Ms. Groth, seconded by Ms. Herman, that the San Dieguito Union High School [District Board Meetings for 2012](#) be scheduled as specified, beginning at 6:30 PM except where noted. Motion unanimously carried.
- 7i. APPOINTMENT OF BOARD SECRETARY AND RE-ADOPTION OF BOARD POLICIES
It was moved by Ms. Groth, seconded by Eddie Gelman, that the Board re-adopt all Board Policies and appoint the Superintendent to serve as Board Secretary, as specified in Bylaw #9320. Motion unanimously carried.

*7j. APPOINTMENTS OF BOARD REPRESENTATIVES FOR THE FOLLOWING COMMITTEES

Committee appointments of Board Representatives for 2012 were as follows:

Career Technical Education	Barbara Groth, Amy Herman
Encinitas City/School Liaison Committee	Beth Hergesheimer, John Salazar
Legislative Action Network, Regional	Beth Hergesheimer, Amy Herman
North Coastal Consortium for Special Education	John Salazar, Barbara Groth (Alternate)
San Diego City Council/School Liaison	Joyce Dalessandro, Amy Herman
Solana Beach City/School Liaison Committee	Joyce Dalessandro, John Salazar (Alternate)
Strategic Planning Committee	Beth Hergesheimer, Joyce Dalessandro (Alternate)

**IMMEDIATELY FOLLOWING ACTION ON THIS ITEM, THE BOARD TEMPORARILY ADJOURNED AND SUMMONED A MEETING OF THE SAN DIEGUITO PUBLIC FACILITIES AUTHORITY, THEN RECONVENED THE REGULAR MEETING.*

NON-ACTION ITEMS (ITEMS 7 - 10)

8. BOARD REPORTS AND UPDATES STUDENT BOARD / BOARD OF TRUSTEES

A. STUDENT UPDATES

Student Board Representatives gave updates on recent events and activities at their schools.

B. BOARD OF TRUSTEES

All board members attended the California School Boards Association Annual Education Conference, held in San Diego December 1-3, 2011.

Ms. Joyce Dalessandro - attended CSBA Conference workshops on bond initiatives and school fees, donations and ACLU litigation matters; attended the Solana Beach City/School Liaison Committee Meeting, where the main topics were the beautification of Hwy 101 and train station.

Ms. Barbara Groth - attended CSBA Conference sessions on bond initiatives and branding ideas. As a delegate of the CSBA Delegate Assembly, Ms. Groth also attended Assembly sessions at the conference.

Ms. Beth Hergesheimer – attended CSBA sessions on bond initiatives and lobbying legislature; she also attended a presentation on Finland’s education system.

Ms. Amy Herman - attended several CSBA workshops on bond issues and political climate; a highlight for her was the general session presentation by Sal Khan, educator and founder of a free online education platform and nonprofit organization call The Khan Academy.

Mr. John Salazar - attended several workshops at CSBA; met with Mr. Dill and Mr. Noah prior to the Facilities Update Workshop of November 17th to review key topics on the agenda; (had to be out of the country on business and therefore was not able to attend). He also addressed timelines for placing the bond measure on the ballot in June or November.

9. SUPERINTENDENT’S REPORTS, BRIEFINGS AND LEGISLATIVE UPDATES

Superintendent Noah also attended the CSBA Annual Education Conference in San Diego. He commented on the general session presentation given by founder of The Khan Academy, Sal Khan. He also attended various sessions. The conference was held at the Convention Center in San Diego.

He was not present at the Encinitas Liaison Committee Meeting held earlier that day because of a meeting with the San Diego County Office of Education; has been asked to serve on the Schools for Sound Finance consortium; will be coming to the board with a proposed revision to the 2013 calendar school year; will seek counsel from the county regarding concerns about the North Coastal Consortium for Special Education’s (NCCSE) funding process. A meeting is scheduled early January to discuss NCCSE’s operating budget. More updates will follow.

Mr. Noah also presented Mr. Schmitt with a birthday card.

- 10. UPDATE, DIEGUEÑO MIDDLE SCHOOL BRYAN MARCUS, PRINCIPAL
Mr. Marcus thanked the Board for his first year as principal of Diegueno Middle School. He addressed current improvements on technology, formative assessment, and student and staff connections. Mr. Marcus also commended Assistant Principal Corey Bess for her leadership.

CONSENT ITEMS..... (ITEMS 11 - 15)

Superintendent Noah presented a revision to Item 11B. (See attached). The Board agreed to include this revision in the consent portion of the agenda. It was then moved by Ms. Hergesheimer, seconded by Ms. Groth, that all consent items be approved as listed below. Motion unanimously carried.

11. SUPERINTENDENT

- A. GIFTS AND DONATIONS
Accept the Gifts and Donations, as presented.
- B. FIELD TRIP REQUESTS
Accept the Field Trips, as presented.

12. HUMAN RESOURCES

- A. PERSONNEL REPORTS
Approve matters pertaining to employment of personnel, salaries, leaves of absence, resignations, changes in assignments, extra duty assignments, and consultant services:
 1. Certificated and/or Classified Personnel Reports, as presented.

13. EDUCATIONAL SERVICES

- A. APPROVAL/RATIFICATION OF AGREEMENTS
(None Submitted)

14. PUPIL SERVICES

- A. APPROVAL/RATIFICATION OF AGREEMENTS
Approve/ratify entering into the following agreements and authorize Christina M. Bennett, Eric R. Dill, or Ken Noah to execute all pertinent documents pertaining to these agreements:
 1. Susan Berkowitz, M.S. to provide speech/language pathology services, during the period November 15, 2011 through June 30, 2012, in an amount not to exceed \$5,000.00, to be expended from the General Fund/Restricted 06-00.
- B. APPROVAL/RATIFICATION OF PARENT SETTLEMENT AND RELEASE AGREEMENTS
(None Submitted)

15. BUSINESS

- A. APPROVAL/RATIFICATION OF AGREEMENTS
Approve/ratify entering into the following agreements and authorize Christina M. Bennett, Eric R. Dill, or Ken Noah to execute the agreements:
 1. School Services of California, Inc. to provide the District with fiscal and mandated cost claims services and the CADIE and SABRE reports, during the period January 1, 2012 through December 31, 2012, in an amount not to exceed \$3,720.00 plus expenses, to be expended from the General Fund 03-00.
 2. All Star Signs, Inc. to provide and attach steel cut lettering at the San Dieguito Academy Performing Arts Center, to be completed by December 31, 2011, in the amount not to exceed \$14,988.31, to be expended from Mello Roos Funds.
 3. Challenge Day to provide the Challenge Day Program (a positive peer support program) for La Costa Canyon High School, during the period February 13, 2012 through February 15,

2012, in the amount of \$9,600.00 plus travel expenses, to be expended from the General Fund 03-00.

B. APPROVAL/RATIFICATION OF AMENDMENT TO AGREEMENTS

Approve/ratify amending the following agreements and authorize Christina M. Bennett or Eric R. Dill to execute the agreements:

- 1. EDCO Waste & Recycling Services for district wide recycling and waste disposal services, extending the contract period from January 1, 2012 through December 31, 2012 with a 3% increase in pricing as allowed in the contract, to be expended from the General Fund 03-00.

C. RATIFICATION OF CONTRACTS
(None Submitted)

D. ACCEPTANCE OF CONSTRUCTION PROJECTS
(None Submitted)

E. ADOPTION OF RESOLUTION / COOPERATIVE BID

Adopt the attached resolution authorizing contracting pursuant to cooperative bid and award documents from the Los Angeles County Office of Education (LACOE), for the purchase of Dell workstations, laptops, computers, other Dell brand merchandise and array of peripherals per the pricing structure, terms, and conditions stated in the bid documents, to be expended from the fund to which the products are charged, and authorize Christina M. Bennett or Eric R. Dill to execute any necessary documents.

F. APPROVAL OF BUSINESS REPORTS

Approve the following business reports:

- A. Purchase Orders
- B. Membership Listing (None Submitted)

DISCUSSION / ACTION ITEMS (ITEMS 16 - 17)

16. CSBA DELEGATE ASSEMBLY NOMINATIONS, 2012

Nominations of CSBA Delegate Assembly Candidates for 2012, as presented.

It was moved by Ms. Hergesheimer, seconded by Ms. Herman, that Ms. Groth be nominated as candidate(s) for CSBA Delegate Assembly, 2012. Motion unanimously carried.

17. ADOPTION OF 2011-12 DISTRICT GENERAL FUND / FIRST INTERIM BUDGET

It was moved by Ms. Groth, seconded by Ms. Herman, to adopt the 2011-12 District General Fund, First Interim Budget and Certification, as presented. Motion unanimously carried.

INFORMATION ITEMS..... (ITEMS 18 - 26)

18. PUBLIC NOTICE, 2010/2011 REPORT ON STATUTORY SCHOOL FEES AND FINDINGS

This item was submitted for review and will be resubmitted to the Board for approval on January 19, 2012.

19. BUSINESS SERVICES UPDATE ERIC DILL, ASSOCIATE SUPERINTENDENT

Mr. Dill gave an update on the condition of the Torrey Pines High School football field, which is in need of replacement.

25. HUMAN RESOURCES UPDATE TERRY KING, ASSOCIATE SUPERINTENDENT

Mrs. King gave an update on the open enrollment process for insurance benefits, which had just been completed.

26. EDUCATIONAL SERVICES UPDATE RICK SCHMITT, ASSOCIATE SUPERINTENDENT
Mr. Schmitt gave an update on changes in sports leagues. He also gave an update on the upcoming window for interdistrict transfers. (See attached handouts).

27. PUBLIC COMMENTS – None presented.

28. FUTURE AGENDA ITEMS - None discussed.

29. ADJOURNMENT TO CLOSED SESSION

The board The Board reconvened to Closed Session at 7:50 PM to:

A. Consider personnel issues, pursuant to Government Code Sections 11126 and 54957; limited to consideration of the appointment, employment, evaluation of performance, discipline /release, dismissal of a public employee or to hear *complaints or charges brought against such employee by another person or employee unless the employee requests a public session.*
(2 Issues)

B. Conference with Labor Negotiators, pursuant to Government Code Section 54957.8.
Agency Negotiators: Superintendent and Associate Superintendents (3)
Employee Organizations: San Dieguito Faculty Association / California School Employees Association

C. Conference with legal counsel to discuss current and/or potential litigation, pursuant to Government Code Sections 54956.9(b)(3)(A), (D), and (E) (1 case): Lewis v San Dieguito Union High School District (case #37-2009-00055315-CU-PO-NC).

D. Discuss consideration and/or deliberation of student discipline matters (1 case)

30. CLOSED SESSION – Nothing further to report out of closed session.

31. ADJOURNMENT OF MEETING - Meeting adjourned at 8:10 PM.

Amy Herman, Board Clerk

____ / ____ / 2012
Date

Ken Noah, Superintendent

____ / ____ / 2012
Date

**FIELD TRIP REQUESTS
SDUHS BOARD MEETING
DECEMBER 8, 2011**

Item #	Date	Sponsor, Last Name	First Name	School Team/Club	Total # Students	Total # Chaperones	Event Description / Name of Conference	City	State	Loss of Class Time	\$ Cost
2	4/9/12 - 4/13/12	Zissi	Jon	TPHS Boys Lacrosse	35	5	Lacrosse Games	Hartford	CT	0	\$48,000 (Foundation Donations / Parents)
3	4/27/12- 4/28/12	Brubaker	Mark	Varsity Boys Volleyball	14	5	Volleyball Tournament	Redondo Beach	CA	Period 6, 4/27/12	\$450 (Donations/Parents)
4	2/11/12- 2/13/12	Kwong	Jeffrey	Speech & Debate	25	1	Tournament	Stanford / Palo Alto	CA	1	\$700 (Donations / Parents)
5	4/6/12- 4/7/12	Falcis-Stevens	Charlene	TPHS Track&Field	10	4	Track Meet	Arcadia	CA	1	\$400 (Donations / Parents)
6	3/16/12- 3/18/12	Payne	Marinee	TPHS Theater	30	3	Fullerton College Theatre Festival	Fullerton	CA	1	\$60 (Donations/Parents)
7	1/13/12- 1/15/12	Payne	Marinee	TPHS Theater	30	3	California Educational Theatre Festival	Anaheim	CA	1	\$50 (Donations/Parents)
8	4/26/12- 4/29/12	Willcox	Amy	TPHS Jazz Band	21	4	Jazz Band Competition	New Orleans	LA	2	\$1,184 (Donations / Parents)
9	4/20/12- 4/21/12	Falcis-Stevens	Charlene	TPHS Track&Field	20	6	Track Meet	Walnut	CA	1	\$700 (Donations / Parents)
10	1/7/12- 1/8/12	Barry	Melissa	SDA Speech & Debate	2	2	Tournament	Nashville	TN	1	\$175 p.student (Donations / Parents)
11	1/19/12- 1/22/12	Barry	Melissa	SDA Speech & Debate	20	5	Tournament	Tempe	AZ	2	\$175 p.student (Donations / Parents)
12	2/17/12- 2/20/12	Barry	Melissa	SDA Speech & Debate	25	5	Tournament	Berkley	CA	0	\$200 (Donations / Parents)
13	12/16/11	Sewell	Jeremy	CCA Theatre	30	6	Back Stage Tour of Disneyland	Anaheim	CA	1	\$2,800 (Donations / Parents)
14	1/11/12	Quinn	Donald	CCA Japanese	80	10	Little Tokyo Field Trip	Los Angeles	CA	1	\$1,600 (Donations / Parents)
15	1/9/12	Groseclose	Angie	AVID	90	6	Museum of Tolerance Trip	Los Angeles	CA	1	All Expenses Paid by Leichtag Family Foundation

* Dollar amounts are listed only when District/site funds are being spent.
Other activities are paid for by student fees or ASB funds.

San Dieguito Union High School District

2012-13

Inter District Transfers

Inter District Transfer (NONRESIDENT) – A student who resides outside the boundaries of the San Dieguito Union High School District (“the District”) who wishes to request permission to attend a school within the District

The District will be accepting inter district attendance transfer applications between March 1, 2012 and June 30, 2012. Please be advised that the District is currently in a Basic Aid funding status and will not approve any new inter district attendance permits as long as the Basic Aid funding status continues.

San Dieguito Union High School District

2012-13

Intra District Transfers

RESIDENT – A student who resides within the boundaries of the San Dieguito Union High School District (“the District”) and who wishes to transfer to a S.D.U.H.S.D. school other than his/her boundary school.

Intra District Transfer applications will be accepted starting January 10, 2012.

The application period ends on March 30, 2012.

Notifications will be sent out between April 16, 2012 and August 16, 2012. The District must first ensure that all Boundary students are enrolled before any transfer notifications can be processed.

NCC REALIGNMENT

2012-14

FOOTBALL ONLY

Avocado West	Palomar	Avocado East	Valley
Carlsbad	Poway	Escondido	Orange Glen
La Costa Canyon	Rancho Bernardo	Mission Hills	San Marcos
Oceanside	Torrey Pines	Rancho Buena Vista	Valley Center
El Camino	Westview	Fallbrook	Del Norte
Vista	Ramona	San Pasqual	Mt. Carmel

ALL OTHER SPORTS

Avocado West	Palomar	Avocado East	Valley
Carlsbad	Poway	Escondido	Orange Glen
La Costa Canyon	Rancho Bernardo	Mission Hills	Valley Center
Fallbrook	Torrey Pines	San Dieguito Academy	Oceanside
El Camino	Westview	San Marcos	Ramona
Rancho Buena Vista	Canyon Crest	San Pasqual	Del Norte
Vista	Mt. Carmel		Mission Vista

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 12, 2012

BOARD MEETING DATE: January 19, 2012

**PREPARED AND
SUBMITTED BY:** Ken Noah, Superintendent

SUBJECT: ACCEPTANCE OF GIFTS AND DONATIONS

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EXECUTIVE SUMMARY

The district administration is requesting acceptance of gifts and donations to the district as shown on the following report.

RECOMMENDATION:

The administration recommends that the Board accept the gifts and donations to the district as shown on the following report.

FUNDING SOURCE:

Not applicable

KN/bb

GIFTS AND DONATIONS
SDUHSD BOARD MEETING
JANUARY 19, 2012

Item #	Donation	Description	Donor	Department	School Site
1	\$ 6,077.83	Misc. Donations	Canyon Crest Academy Foundation	Various	CCA
2	\$ 4,900.00	Artists in Residence/Music Coach	Oak Crest Foundation	Music/Band	OCMS
3	\$ 80.89	Misc. Donations	Johnson and Johnson	Various	CCA
4	\$ 25.00	Misc. Donations	Mission Federal Credit Union	Various	SDA
5	\$ 799.00	Renew Software Program	San Dieguito Academy Foundation	Science	SDA
6	\$ 1,280.00	Copy Accounts	Diegueno PTSA	Math/Social Studies	DNO
7	\$ 60.28	Misc. Donations	Spreebird	Various	CCA
8	\$ 40.45	Misc. Donations	TRUiST	Various	CCA
9	\$ 6,402.19	Misc. Donations	Canyon Crest Academy Foundation	Various	CCA
10	\$ 5,540.83	Misc. Donations	Canyon Crest Academy Foundation	Various	CCA
11	\$ 1,049.50	Misc. Donations	Canyon Crest Academy Foundation	Various	CCA
12	\$ 1,617.77	Misc. Donations	San Dieguito Academy Foundation	Various	SDA
13		* Large Movable Whiteboard	Djung Nguyen & Kate Trinh	Music/Band	CVMS
14	\$ 10,000.00	Instructional/Tech Supplies	CVMS PTSA	Various	CVMS
15	\$ 15,000.00	Replacement of Technology/Projectors	CVMS PTSA	Various	CVMS
16	\$ 10.00	Coulter Math Copy Account	Trina & David Zeljak	Math/Social Studies	CVMS
17	\$ 20.00	Science Lab donation	Victoria Hogrefe	Science	DNO
18					
19					
20					
	\$ 52,903.74	Monetary Donations			
	\$ 1,000.00	*Value of Donated Items			
	\$ 53,903.74	TOTAL VALUE			

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 12, 2012

BOARD MEETING DATE: January 19, 2012

PREPARED BY: Rick Schmitt, Associate Superintendent
Educational Services

SUBMITTED BY: Ken Noah, Superintendent

SUBJECT: APPROVAL / RATIFICATION OF
FIELD TRIPS

.....

EXECUTIVE SUMMARY

The district administration is requesting approval / ratification of out-of-state, overnight, and/or out-of-county field trips, as shown on the following report.

RECOMMENDATION:

The administration recommends that the Board approve / ratify the field trips, as shown on the following report.

FUNDING SOURCE:

As listed on the attached supplement.

RS/lr

FIELD TRIP REQUESTS
SDUHSD BOARD MEETING
January 19, 2012

Item #	Date	Sponsor, Last Name	First Name	School Team/Club	Total # Students	Total # Chaperones	Event Description / Name of Conference	City	State	Loss of Class Time	\$ Cost
1	3/23/12 - 3/25/12	Siers	Stephanie	SDA Thespian Troupe # 2196	30	5	CA State Thespian Festival	Upland	CA	1 day	\$200 (Donations/Foundation)
2	4/27/12 - 4/28/12	Foss	Jesse	LCC Boys Lacrosse	30	3	Lacrosse Tournament	Temecula	CA	0	Donations /Foundation
3	4/12/12 - 4/15/12	Smith	Mia	Journalism / Yearbook	25	1	National HS Journalism Convention	Seattle	WA	0	\$500 (Parent Donations / Foundation)
4	3/8/12	Chess	Matt	TPHS Varsity Baseball	25	3	Baseball Game	Temecula	CA	0	\$0
5	4/21/12	Zissi	Jon	TPHS Varsity Lacrosse	40	5	Lacrosse Game	Ojai	CA	0	Bus & Food (Parent Donations / Foundation)
6	2/17/12 - 2/21/12	Williams	Erica	CCA Speech / Debate	30	10	2012 California Invitational Tournament	Berkeley	CA	1 day	\$9,805 (Parent Donations / Foundation)
7	4/9/12- 4/14/12	Foss	Jesse	LCC Boys Lacrosse	28	3	Lacrosse Games	Long Island	NY	0	\$36,000 (Donations / Foundation)
8	3/24/12	Foss	Jesse	LCC Boys Lacrosse Varsity	30	3	Lacrosse Game	Tustin	CA	0	\$0
9	3/25/12	Foss	Jesse	LCC Boys Lacrosse JV-A & B	60	6	Lacrosse Game	Tustin	CA	0	\$0

* Dollar amounts are listed only when District/site funds are being spent.
Other activities are paid for by student fees or ASB funds.

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 8, 2012

BOARD MEETING DATE: January 19, 2012

PREPARED BY: Terry King
Associate Superintendent/Human Resources

SUBMITTED BY: Ken Noah
Superintendent

SUBJECT: APPROVAL OF CERTIFICATED and
CLASSIFIED PERSONNEL

EXECUTIVE SUMMARY

Please find the following Personnel actions attached for Board Approval:

Certificated

Change in Employment Status
Leave of Absence
Resignation

Classified

Employment
Resignation

RECOMMENDATION:

It is recommended that the Board approve the attached Personnel actions.

FUNDING SOURCE:

General Fund

PERSONNEL LIST

CERTIFICATED PERSONNEL

Employment

1. **Kelly Dunn**, 20% Temporary Teacher (Special Education – Mild/Moderate) at Carmel Valley for the remainder of the 2011-12 school year, effective 12/12/11 through 6/15/12.
2. **Kathryn Freeman**, 60% Temporary Teacher (Life Science) at Carmel Valley for the remainder of the 2011-12 school year, effective 1/05/12 through 6/15/12.
3. **Lauren May**, 100% Temporary Teacher (English) at Canyon Crest Academy, extend current temporary contract through the end of Semester I, 1/27/12.
4. **Robert Parrington**, 20% Temporary Teacher (P.E.) at Earl Warren for the remainder of the 2011-12 school year, effective 1/26/12 through 6/15/12.
5. **Stephanie Shenkman**, 40% Temporary Teacher (English) at Torrey Pines for the remainder of the 2011-12 school year, effective 12/08/11 through 6/15/12.

Change in Assignment

1. **Michele Brown**, 60% Temporary Teacher (English) at Sunset; increase temporary contract from 60% to 100% beginning Semester II/2011-12 school year, effective 1/30/12 through 6/15/12.
2. **Noelle Franzen**, 60% Temporary Teacher (English) at Diegueno (20%) and Torrey Pines (40%); increase temporary contract from 60% to 80% (additional 20% at Diegueno) beginning Semester II/2011-12 school year, effective 1/30/12 through 6/15/12.
3. **Erin Henson**, 40% Temporary Teacher (math) at Carmel Valley; increase temporary contract from 40% to 60% beginning Semester II/2011-12 school year, effective 1/30/12 through 6/15/12.
4. **Amy Souza**, Teacher (English) at Oak Crest; Change in assignment from 80% (20% Unpaid Leave) to 100% assignment beginning Semester II/2011-12 school year, effective 1/30/12. She is rescinding her prior request for a 20% Unpaid Leave for the 2011-12 school year.

Leave of Absence

1. **Abigail Brown-McLellan**, Teacher (math) at Torrey Pines requests 100% Unpaid Leave of Absence for child-rearing purposes, effective 1/10/12 to 1/20/12. She will resume teaching 80% (20% Unpaid Leave) for the remainder of the 2011-12 school year, effective 1/23/12 through 6/15/12.
2. **Sharon Dasho**, Teacher (English) at Canyon Crest Academy requests 100% Unpaid Leave of Absence for child-rearing purposes, effective 1/09/12 through 4/13/12. She will resume teaching 100% effective 4/16/12.
3. **Tiffany Gilson**, Teacher (biology) at Torrey Pines requests 100% Unpaid Leave of Absence for child-rearing purposes, effective 1/03/12 through 1/27/12. She will resume teaching 60% (40% Unpaid Leave) for the remainder of the 2011-12 school year, effective 1/30/12 through 6/15/12.

4. **Anne Meigs**, Teacher (math/PE) at Torrey Pines, 100% Unpaid Leave of Absence beginning 1/03/12 until credential requirements are completed.

Termination

1. **Steven Saylor**, 20% Temporary Teacher (PE) at Earl Warren, 15-day notice of cancellation of temporary contract with an employment ending date of 1/27/12.

Resignation

1. **Meredith (Wadley) Amsbaugh**, District Program Specialist, resignation from employment, effective 1/31/12.
2. **Jeanne Cunningham**, Teacher (Spanish) at Carmel Valley, resignation for retirement purposes, effective 6/15/12.
3. **Sharon Pankey**, School Psychologist - currently at Torrey Pines and Earl Warren, resignation for retirement purposes, effective 6/15/12.
4. **Michael Schwartz**, Teacher (Drama) at Canyon Crest Academy, resignation from employment, effective 12/31/11.

PERSONNEL LIST

CLASSIFIED PERSONNEL

Employment

1. **Buckley, Adam**, Painter, Facilities, SR48, 100% FTE, effective 1/03/12
2. **Dubs, Debra**, Secretary-Athletics, Canyon Crest Academy, SR36, 100% FTE, effective 12/15/11
3. **Shook, Lindsey**, Secretary-BTSA, Canyon Crest Academy, SR36, 48.75% FTE, effective 1/03/12

Resignation

1. **Jan Hueners**, Receptionist, resignation for the purpose of retirement, effective 1/19/12

1/19/12
classbdagenda

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 3, 2012

BOARD MEETING DATE: January 19, 2012

PREPARED BY: Bruce Cochrane, Executive Director,
Pupil Services
Rick Schmitt, Associate Superintendent,
Educational Services

SUBMITTED BY: Ken Noah
Superintendent

SUBJECT: APPROVAL/RATIFICATION OF AGREEMENTS

EXECUTIVE SUMMARY

The attached Pupil Services Agreements report summarizes four agreements.

RECOMMENDATION:

The administration recommends that the Board approve and/or ratify the contracts as shown on the attached Pupil Services Agreements report.

FUNDING SOURCE:

As noted on the attached report.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT BOARD MEETING

ITEM 14A

PUPIL SERVICES AGREEMENTS

DATE: 01-19-12

<u>Contract Effective Dates</u>	<u>Contractor/Vendor</u>	<u>Description of Services</u>	<u>School/Department Budget</u>	<u>Fee Not to Exceed</u>
12/12/11 – 06/30/12	Devereux Cleo Wallace, NPS	Basic Education Program – Non Inclusive	General Fund/ Restricted 06-00	\$125.00/Diem
12/19/11 – 06/30/12	Devereux Texas Treatment Network, NPS	Basic Education Program – Non Inclusive	General Fund/ Restricted 06-00	\$125.94/Diem
10/01/11 – 12/30/11	K.I.D.S. Therapy Associates, Inc., ICA	Provide assistance to district Occupational Therapist by attending IEP meetings, assisting with occupational therapy assessments, and making observations and recommendations for therapy	General Fund/ Restricted 06-00	\$510.00/diem
01/01/12 – 06/30/12	Amanda Gretsch, MS, OTR/L, ICA	Provide assistance to district Occupational Therapist by attending IEP meetings, assisting with occupational therapy assessments, and making observations and recommendations for therapy	General Fund/ Restricted 06-00	\$750.00/Assessment \$125.00/Hr.

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 11, 2012

BOARD MEETING DATE: January 19, 2012

PREPARED BY: Christina M. Bennett, Director of Purchasing/Risk Mgt
Eric R. Dill, Associate Superintendent/Business

SUBMITTED BY: Ken Noah
Superintendent

SUBJECT: APPROVAL/RATIFICATION OF
PROFESSIONAL SERVICES CONTRACTS/
BUSINESS

EXECUTIVE SUMMARY

The attached Professional Services Report/Business summarizes six contracts.

RECOMMENDATION:

The administration recommends that the Board approve and/or ratify the contracts, as shown in the attached Professional Services Report.

FUNDING SOURCE:

As noted on attached report.

ITEM 15A

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT**BUSINESS - PROFESSIONAL SERVICES REPORT****Date: 01-19-12**

<u>Contract Effective Dates</u>	<u>Consultant/ Vendor</u>	<u>Description of Services</u>	<u>School/ Department Budget</u>	<u>Fee Not to Exceed</u>
02/01/12 – 01/31/15	En Pointe Technologies	Microsoft School/Campus Agreement for all district computers and servers	General Fund 03-00	An estimated annual amount of \$57,124.50
09/06/11 – 01/06/12	City of San Diego Parks & Recreation Department, Carmel Valley Recreation Center	For lease of facilities for Carmel Valley Middle School off-campus PE classes	General Fund 03-00	\$1,795.50
01/20/12 – until terminated with 90 day written notification	SDSU Research Foundation WIC Program for the San Diego WIC Dietetic Internship	Provide interns to the San Dieguito Union High School District Nutrition Services Department	NA	NA
01/20/12 – until terminated	Diverse Network Associates, Inc. dba Catapult K12	Provide website design, active directory integration, website hosting, CMS software, and content migration as needed	General Fund 03-00	A one time set up/design fee of \$4,498.00, \$39.00 per hour for content migration, and website hosting fees of \$1,428.00 per year
01/20/12 – until completed	Fishman Haygood, Levin Papantonio, Schneider Wallace and P&M	Provide legal representation on a contingency fee based financial matter	NA	NA
NA	SSO Easy, LLC	Provide a perpetual license for a single sign on solution to district software applications	General Fund 03-00	\$5,200.00

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 10, 2012

BOARD MEETING DATE: January 19, 2012

PREPARED BY: Christina M. Bennett, Director of Purchasing/Risk Mgt
Eric R. Dill, Associate Superintendent/Business

SUBMITTED BY: Ken Noah
Superintendent

SUBJECT: APPROVAL/RATIFICATION OF
AMENDMENTS TO AGREEMENTS

EXECUTIVE SUMMARY

The attached Amendment to Agreements Report summarizes one amendment to agreements.

RECOMMENDATION:

The administration recommends that the Board approve and/or ratify the amendment to agreements, as shown in the attached Amendment Report.

FUNDING SOURCE:

As noted on attached list

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

AMENDMENT TO AGREEMENTS REPORT

Date: 01-19-12

<u>Contract Effective Dates</u>	<u>Consultant/ Vendor</u>	<u>Description of Services</u>	<u>School/ Department Budget</u>	<u>Fee Not to Exceed</u>
NA	22nd District Agricultural Association/Del Mar Fairgrounds	Amending the off-site patron parking and shuttle bus service contract amount to be paid to the District for the 2012 term to \$134,000.00	NA	NA

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 10, 2012

BOARD MEETING DATE: January 19, 2012

PREPARED BY: Eric R. Dill
Associate Superintendent, Business

SUBMITTED BY: Ken Noah, Superintendent

SUBJECT: APPROVAL OF BUSINESS REPORTS

EXECUTIVE SUMMARY

Please find the following business reports submitted for your approval:

- a) Purchase Orders
- b) Membership Listings
- c) Replacement Warrant

RECOMMENDATION:

It is recommended that the Board approve the following business reports: a) Purchase Orders, b) Membership Listings, and c) Replacement Warrant

FUNDING SOURCE:

Not applicable

js
Attachments

PO/BOARD/REPORT

SAN DIEGUITO UNION HIGH
FROM 11/29/11 THRU 01/09/12

ITEM 15E

PO NBR	DATE	FUND	VENDOR	LOC	DESCRIPTION	AMOUNT
221429	11/29/11	11	KALES, JAMIE	009	MATERIALS AND SUPPLI	\$500.00
221430	11/29/11	03	SOUTHWEST SCHOOL/OFF	004	MATERIALS AND SUPPLI	\$67.67
221431	11/29/11	03	COMPANION CORPORATIO	024	PROF/CONSULT./OPER E	\$500.00
221432	11/29/11	06	PIONEER DAY SCHOOL	030	OTHER CONTR-N.P.S.	\$60,538.23
221433	11/29/11	06	PIONEER DAY SCHOOL	030	OTHER CONTR-N.P.S.	\$45,484.05
221434	11/29/11	03	PRINTGLOBE INC	008	MATERIALS AND SUPPLI	\$155.08
221435	11/29/11	03	STAPLES ADVANTAGE	013	MATERIALS AND SUPPLI	\$200.00
221436	11/29/11	06	TOOL DEPOT	033	MATERIALS AND SUPPLI	\$168.02
221437	11/29/11	03	ALPHA GRAPHICS	010	OFFICE SUPPLIES	\$257.09
221438	11/29/11	03	ROYAL BUSINESS GROUP	010	MATERIALS AND SUPPLI	\$35.56
221439	11/29/11	06	NEW BRIDGE SCHOOL	030	OTHER CONTR-N.P.S.	\$2,802.72
221440	11/29/11	06	NEW BRIDGE SCHOOL	030	OTHER CONTR-N.P.S.	\$24,523.80
221441	11/29/11	06	NEW BRIDGE SCHOOL	030	OTHER CONTR-N.P.S.	\$19,969.38
221442	11/29/11	06	BANYAN TREE EDUCATIO	030	OTHER CONTR-N.P.A.	\$4,981.08
221443	11/29/11	06	BANYAN TREE EDUCATIO	030	OTHER CONTR-N.P.S.	\$45,100.00
221444	11/30/11	06	INTERPRETERS UNLIMIT	030	PROF/CONSULT./OPER E	\$7,000.00
221445	11/30/11	06	WEST SHIELD ADOLESCE	030	PROF/CONSULT./OPER E	\$20,000.00
221446	11/30/11	03	STAPLES ADVANTAGE	003	MATERIALS AND SUPPLI	\$43.81
221448	11/30/11	03	AREY JONES EDUCATION	035	COMPUTER SUPPLIES	\$543.98
221449	11/30/11	03	CUSTODIAL PLUS SERVI	025	REPAIRS BY VENDORS	\$3,200.00
221450	11/30/11	03	ONE STOP TONER AND I	014	MATERIALS AND SUPPLI	\$193.92
221451	11/30/11	03	APPERSON EDUCATION P	014	NON CAPITALIZED EQUI	\$1,018.24
221452	12/01/11	03	WEATHERPROOFING TECH	025	REPAIRS BY VENDORS	\$2,470.00
221453	12/01/11	13	JANUS CORPORATION	025	NON-CAPITALIZED IMPR	\$7,548.00
221454	12/01/11	03	ONE STOP TONER AND I	008	MATERIALS AND SUPPLI	\$204.68
221455	12/01/11	06	MISSION EQUIPMENT &	013	REPAIRS BY VENDORS	\$560.00
221456	12/01/11	03	EXPLORE LEARNING	013	COMPUTER LICENSING	\$799.00
221458	12/01/11	03	SAFARI MONTAGE	014	COMPUTER LICENSING	\$2,000.00
221459	12/01/11	03	AMAZON.COM	005	MATERIALS AND SUPPLI	\$597.85
221460	12/01/11	03	APPLE COMPUTER INC	035	NON-CAPITALIZED TECH	\$2,244.86
221462	12/01/11	06	DISPLAY WAREHOUSE	013	NON CAPITALIZED EQUI	\$1,802.13
221463	12/02/11	03	STATE OF CALIFORNIA	025	FEES - ADMISSIONS, T	\$1,475.00
221464	12/02/11	03	RASIX COMPUTER CENTE	013	MATERIALS AND SUPPLI	\$238.77
221465	12/02/11	03	STAPLES ADVANTAGE	013	MATERIALS AND SUPPLI	\$30.23
221466	12/02/11	03	PROCURETECH	035	COMPUTER SUPPLIES	\$778.31
221467	12/02/11	03	SO CAL GLAZING	025	REPAIRS BY VENDORS	\$3,857.00
221468	12/02/11	03	MICRO IMAGE SYSTEMS	010	REPAIRS BY VENDORS	\$84.40
221469	12/02/11	11	BILLS, LINDA	009	MATERIALS AND SUPPLI	\$200.00
221470	12/02/11	03	AMAZON.COM	013	MATERIALS AND SUPPLI	\$30.00
221471	12/02/11	03	AMAZON.COM	013	MATERIALS AND SUPPLI	\$39.00
221472	12/02/11	03	MISSION FEDERAL CRED	013	MATERIALS AND SUPPLI	\$62.00
221473	12/02/11	03	MISSION FEDERAL CRED	013	MATERIALS AND SUPPLI	\$19.75
221474	12/02/11	06	AMAZON.COM	033	NON CAPITALIZED EQUI	\$1,144.83
221475	12/02/11	06	APPLE COMPUTER INC	030	MATERIALS AND SUPPLI	\$148.70
221476	12/02/11	03	MAA AMERICAN MATHEMA	014	FEES - ADMISSIONS, T	\$222.00
221477	12/05/11	06	SAN DIEGO CENTER FOR	030	PROF/CONSULT./OPER E	\$1,860.00
221478	12/05/11	03	AUTLAN TAQUEIRA Y CA	004	MATERIALS AND SUPPLI	\$595.00
221479	12/05/11	03	APPERSON EDUCATION P	004	MATERIALS AND SUPPLI	\$58.21
221480	12/05/11	06	BERKBUEGLER, FRANK	033	REPAIRS BY VENDORS	\$480.00
221481	12/05/11	06	PERMA BOUND	008	BOOKS OTHER THAN TEX	\$9,313.91
221482	12/05/11	03	COSTCO CARLSBAD	014	MATERIALS AND SUPPLI	\$77.49
221483	12/05/11	03	NATL ASSESSMENT & TE	014	FEES - ADMISSIONS, T	\$200.00
221484	12/05/11	03	CA MATHEMATICS LEAGU	014	MATERIALS AND SUPPLI	\$90.00
221485	12/05/11	03	PROCURETECH	035	NON-CAPITALIZED TECH	\$639.64
221486	12/06/11	03	AREY JONES EDUCATION	003	NON-CAPITALIZED TECH	\$46,875.40

PO/BOARD/REPORT

SAN DIEGUITO UNION HIGH
FROM 11/29/11 THRU 01/09/122
ITEM 15E

PO NBR	DATE	FUND	VENDOR	LOC	DESCRIPTION	AMOUNT
221487	12/06/11	03	RASIX COMPUTER CENTE	023	MATERIALS AND SUPPLI	\$125.78
221488	12/06/11	03	B&H PHOTO-VIDEO-PRO	035	NON-CAPITALIZED TECH	\$1,615.17
221489	12/01/11	06	DISPLAY WAREHOUSE	013	MATERIALS AND SUPPLI	\$399.53
221490	12/06/11	13	PICK UP STIX CATERIN	031	PURCHASES FOOD	\$3,000.00
221491	12/06/11	06	STAPLES ADVANTAGE	013	MATERIALS AND SUPPLI	\$126.28
221492	12/06/11	03	APPLE COMPUTER INC	035	NON-CAPITALIZED TECH	\$1,245.35
221493	12/06/11	03	STAPLES ADVANTAGE	012	MATERIALS AND SUPPLI	\$805.69
221494	12/06/11	03	EDHIVE, INC.	030	OTHER SERV. & OPER.EX	\$5,000.00
221495	12/07/11	06	SIERRA ACADEMY OF SA	030	OTHER CONTR-N.P.S.	\$31,461.03
221496	12/07/11	06	SIERRA ACADEMY OF SA	030	OTHER CONTR-N.P.S.	\$29,534.35
221497	12/07/11	06	SIERRA ACADEMY OF SA	030	OTHER CONTR-N.P.S.	\$29,534.35
221498	12/07/11	06	SIERRA ACADEMY OF SA	030	OTHER CONTR-N.P.S.	\$30,830.98
221499	12/07/11	03	HERFF JONES	010	PRINTING	\$200.00
221500	12/07/11	06	EVERBIND/MARCO BOOK	003	BOOKS OTHER THAN TEX	\$13,471.55
221501	12/07/11	03	CALENDARWIZ LLC	010	COMPUTER LICENSING	\$249.00
221502	12/07/11	03	PROCURETECH	035	MATERIALS AND SUPPLI	\$1,551.21
221503	12/07/11	06	RASIX COMPUTER CENTE	030	MATERIALS AND SUPPLI	\$134.52
221504	12/07/11	06	B&H PHOTO-VIDEO-PRO	010	MATERIALS AND SUPPLI	\$1,037.41
221505	12/07/11	03	STAPLES ADVANTAGE	030	PRINTING	\$59.37
221506	12/07/11	03	OFFICE DEPOT	022	OFFICE SUPPLIES	\$26.93
221507	12/08/11	03	DEMCO INC	014	MATERIALS AND SUPPLI	\$167.12
221508	12/08/11	03	ONE STOP TONER AND I	004	MATERIALS AND SUPPLI	\$70.02
221509	12/08/11	03	GOPHER SPORT	013	MATERIALS AND SUPPLI	\$25.75
221510	12/08/11	03	MISSION FEDERAL CRED	013	MATERIALS AND SUPPLI	\$300.12
221511	12/08/11	03	PROCURETECH	035	MATERIALS AND SUPPLI	\$424.54
221512	12/08/11	03	STAPLES ADVANTAGE	005	MATERIALS AND SUPPLI	\$145.07
221513	12/08/11	03	AMAZON.COM	005	MATERIALS AND SUPPLI	\$790.02
221514	12/08/11	03	FREDRICKS ELECTRIC I	035	OTHER SERV. & OPER.EX	\$3,472.50
221515	12/08/11	03	FREDRICKS ELECTRIC I	035	OTHER SERV. & OPER.EX	\$2,502.00
221516	12/08/11	25-19	FREDRICKS ELECTRIC I	035	OTHER SERV. & OPER.EX	\$7,390.50
221517	12/08/11	03	FREDRICKS ELECTRIC I	035	OTHER SERV. & OPER.EX	\$634.75
221518	12/08/11	03	STAPLES ADVANTAGE	012	MATERIALS AND SUPPLI	\$457.80
221519	12/09/11	03	WARD'S NATURAL SCIEN	005	MATERIALS AND SUPPLI	\$346.72
221520	12/09/11	03	EMCO SOFTWARE LTD.	035	COMPUTER LICENSING	\$314.63
221521	12/09/11	03	ENCORE DATA PRODUCTS	005	MATERIALS AND SUPPLI	\$969.64
221522	12/12/11	03	EXPRESS PRINT	012	MATERIALS AND SUPPLI	\$2,000.00
221523	12/12/11	03	COLLEGE BOARD PUBLIC	010	DUES AND MEMBERSHIPS	\$325.00
221524	12/12/11	03	ENGRAVING PLACE, THE	010	OFFICE SUPPLIES	\$16.16
221525	12/12/11	06	PROCURETECH	035	MATERIALS AND SUPPLI	\$985.37
221526	12/12/11	06	OPTOMETRIC EXTENSION	030	MATERIALS AND SUPPLI	\$25.51
221527	12/12/11	03	APPERSON EDUCATION P	004	MATERIALS AND SUPPLI	\$60.57
221528	12/12/11	06	BERKOWITZ, SUSAN	030	PROF/CONSULT./OPER E	\$5,000.00
221529	12/12/11	06	PEARSON & AGS ASSESS	030	MATERIALS AND SUPPLI	\$91.25
221530	12/12/11	06	SCHOOL SPECIALTY, IN	030	MATERIALS AND SUPPLI	\$62.26
221531	12/12/11	03	SUBMAN	024	MATERIALS AND SUPPLI	\$354.00
221532	12/12/11	03	HOME DEPOT	004	MATERIALS AND SUPPLI	\$44.80
221533	12/12/11	03	CHALLENGE DAY	010	PROF/CONSULT./OPER E	\$9,600.00
221535	12/13/11	03	MISSION FEDERAL CRED	013	MATERIALS AND SUPPLI	\$13.00
221536	12/13/11	06	CRISIS PREVENTION IN	030	MATERIALS AND SUPPLI	\$932.58
221537	12/13/11	03	AMERICAN RADIO	010	OFFICE SUPPLIES	\$259.98
221538	12/13/11	03	FREE FORM CLAY & SUP	012	MATERIALS AND SUPPLI	\$313.60
221539	12/13/11	03	MISSION FEDERAL CRED	035	COMPUTER LICENSING	\$69.99
221541	12/13/11	03	CLMS REGION 9	003	FEES - ADMISSIONS, T	\$90.00
221542	12/13/11	11	OFFICE DEPOT	009	PRINTING	\$138.40
221543	12/14/11	06	NATIONAL AUTISM RESO	030	MATERIALS AND SUPPLI	\$19.02

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SAN DIEGUITO UNION HIGH
FROM 11/29/11 THRU 01/09/123
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PO NBR	DATE	FUND	VENDOR	LOC	DESCRIPTION	AMOUNT
221544	12/14/11	03	COLLEGE BOARD	005	MATERIALS AND SUPPLI	\$18,046.00
221545	12/14/11	06	SCHOOL SPECIALTY, IN	030	MATERIALS AND SUPPLI	\$84.24
221546	12/14/11	03	PATHWAY COMMUNICATIO	005	NON-CAPITALIZED TECH	\$9,472.52
221547	12/14/11	03	PROCURETECH	035	NON-CAPITALIZED TECH	\$2,368.35
221548	12/14/11	06	LEUCADIA SHELL SERVI	028	REPAIRS-VEHICLES	\$1,512.00
221549	12/14/11	03	XEROX CORPORATION	003	DUPLICATING SUPPLIES	\$190.72
221550	12/14/11	06	FISH, JAYNEE	030	OTHER SERV.& OPER.EX	\$2,500.00
221551	12/14/11	03	RASIX COMPUTER CENTE	005	MATERIALS AND SUPPLI	\$847.41
221552	12/14/11	06	HEUCHER, LARRY AND/O	030	OTHER SERV.& OPER.EX	\$2,500.00
221553	12/14/11	03/06	RASIX COMPUTER CENTE	030	MATERIALS AND SUPPLI	\$275.47
221554	12/15/11	03	RASIX COMPUTER CENTE	030	MATERIALS AND SUPPLI	\$175.90
221555	12/15/11	06	ROYAL BUSINESS GROUP	030	MATERIALS AND SUPPLI	\$82.97
221556	12/15/11	03	RASIX COMPUTER CENTE	025	MATERIALS AND SUPPLI	\$76.85
221557	12/15/11	03	STAPLES ADVANTAGE	020	MATERIALS AND SUPPLI	\$29.69
221558	12/15/11	06	LYNCH, BRIAN AND/OR	030	OTHER CONTR-N.P.S.	\$10,000.00
221559	12/15/11	03	RASIX COMPUTER CENTE	014	MATERIALS AND SUPPLI	\$901.13
221560	12/15/11	03	UNION TRIBUNE	020	MATERIALS AND SUPPLI	\$269.15
221561	12/15/11	06	WEISER, ANATOLY	030	FEES - ADMISSIONS, T	\$108.00
221562	12/15/11	06	EDUCATIONAL DATA SYS	024	MATERIALS AND SUPPLI	\$30.56
221563	12/15/11	03	RASIX COMPUTER CENTE	010	MATERIALS AND SUPPLI	\$252.26
221564	12/15/11	03	WESCO DISTRIBUTION	013	MATERIALS AND SUPPLI	\$38.49
221565	12/15/11	06	B&H PHOTO-VIDEO-PRO	010	MATERIALS AND SUPPLI	\$2,258.28
221566	12/15/11	03	RADIO SHACK	004	MATERIALS AND SUPPLI	\$96.87
221567	12/15/11	03	JOSTENS, INC.	005	MATERIALS AND SUPPLI	\$2,162.68
221568	12/15/11	03	WEISS, STEVE MUSIC	004	MATERIALS AND SUPPLI	\$400.56
221569	12/15/11	03	HARBOR FREIGHT TOOLS	013	MATERIALS AND SUPPLI	\$206.30
221572	12/15/11	06	TEACHER'S SCHOOL SUP	004	MATERIALS AND SUPPLI	\$814.16
221573	12/15/11	06	HEARLIHY & COMPANY	004	MATERIALS AND SUPPLI	\$399.91
221574	12/15/11	03	D S WATERS OF AMERIC	012	MATERIALS AND SUPPLI	\$150.00
221575	12/15/11	03	FISHER SCIENTIFIC EM	008	MATERIALS AND SUPPLI	\$182.89
221576	12/15/11	03	PAXTON/PATTERSON	013	MATERIALS AND SUPPLI	\$221.45
221577	12/15/11	06	PAXTON/PATTERSON	004	MATERIALS AND SUPPLI	\$1,064.49
221578	12/15/11	06	TAYLOR, ROGER	033	PROF/CONSULT./OPER E	\$740.00
221579	12/15/11	06	PAXTON/PATTERSON	004	NON CAPITALIZED EQUI	\$4,262.47
221580	12/15/11	11	MELLANO & COMPANY	009	MATERIALS AND SUPPLI	\$250.00
221582	12/16/11	03	PROCURETECH	035	NON-CAPITALIZED TECH	\$7,697.12
221583	12/16/11	25-18	L B CONCRETE	025	NON-CAPITALIZED IMPR	\$14,565.00
221584	12/16/11	03	MISSION FEDERAL CRED	025	MATERIALS AND SUPPLI	\$1,193.65
221585	12/16/11	03	FRONTIER FENCE COMPA	025	REPAIRS BY VENDORS	\$1,519.00
221586	12/16/11	03	AREY JONES EDUCATION	035	NON-CAPITALIZED TECH	\$3,366.41
221587	12/16/11	14	COUNTY BURNER & MACH	025	REPAIRS BY VENDORS	\$14,982.00
221588	12/16/11	03	PROCURETECH	005	NON-CAPITALIZED TECH	\$4,144.60
221589	12/16/11	06	SIMPLEX -GRINNELL L	028	REPAIRS BY VENDORS	\$1,535.13
221590	12/16/11	03	D A D ASPHALT	025	REPAIRS BY VENDORS	\$535.00
221591	12/16/11	03	NEW DIRECTION SERVIC	012	MATERIALS AND SUPPLI	\$370.58
221592	12/16/11	06	MISSION FEDERAL CRED	028	REPAIRS BY VENDORS	\$14,800.00
221593	12/16/11	03	OPTICAL SERVICES COM	012	REPAIRS BY VENDORS	\$650.00
221594	12/19/11	03	AREY JONES EDUCATION	005	NON-CAPITALIZED TECH	\$1,184.77
221595	12/19/11	06	AMAZON.COM	030	MATERIALS AND SUPPLI	\$127.15
221596	12/19/11	03	ONE STOP TONER AND I	030	OFFICE SUPPLIES	\$53.86
221597	12/20/11	03	AFFORDABLE PRINTER C	035	REPAIRS BY VENDORS	\$85.00
221598	12/20/11	06	AUDITORY INSTRUMENT'S	030	NON-CAPITALIZED TECH	\$2,411.11
221599	12/20/11	06	RIVERSIDE PUBLISHING	030	MATERIALS AND SUPPLI	\$876.06
221601	12/20/11	06	AI SQUARED	030	MATERIALS AND SUPPLI	\$684.59
221602	12/20/11	03	DIGITAL NETWORKS GRO	035	NON-CAPITALIZED IMPR	\$8,482.53

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SAN DIEGUITO UNION HIGH
FROM 11/29/11 THRU 01/09/124
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PO NBR	DATE	FUND	VENDOR	LOC	DESCRIPTION	AMOUNT
221607	01/03/12	03	SEHI-PROCOMP COMPUTE	035	NON-CAPITALIZED TECH	\$558.65
221608	01/03/12	03	LYNDA.COM INC	035	COMPUTER TRAINING	\$375.00
221609	01/03/12	03	APPLE COMPUTER INC	035	NON-CAPITALIZED TECH	\$730.42
221610	01/03/12	13	S N A / SCHOOL NUTRI	031	DUES AND MEMBERSHIPS	\$29.75
221611	01/03/12	06	SAN DIEGO HUMANE SOC	030	FEES - ADMISSIONS, T	\$88.00
221612	01/03/12	13	NATL FOOD GROUP	031	PURCHASES FOOD	\$4,000.00
221613	01/03/12	11	DAN LEVINE PRODUCTIO	009	OTHER SERV.& OPER.EX	\$68.90
221614	01/03/12	11	P B D INC	009	BOOKS OTHER THAN TEX	\$485.72
221615	01/03/12	06	BROOKS, PHILLIP AND/	030	OTHER SERV.& OPER.EX	\$2,500.00
221616	01/03/12	03	RASIX COMPUTER CENTE	035	MATERIALS AND SUPPLI	\$434.22
221617	01/03/12	06	SAN DIEGUITO UHSD CA	033	MATERIALS AND SUPPLI	\$75.00
221618	01/03/12	03	A C T	014	MATERIALS AND SUPPLI	\$3,048.75
221619	01/03/12	13	CDS DIRECT	031	MATERIALS AND SUPPLI	\$450.00
221620	01/03/12	06	MONAGHAN, KEVIN AND/	030	OTHER SERV.& OPER.EX	\$2,000.00
221621	01/03/12	03	RASIX COMPUTER CENTE	014	MATERIALS AND SUPPLI	\$58.72
221622	01/03/12	03	APPERSON EDUCATION P	012	MATERIALS AND SUPPLI	\$218.09
221623	01/04/12	06	CRISIS PREVENTION IN	030	DUES AND MEMBERSHIPS	\$125.00
221624	01/04/12	13	GOLD STAR FOODS, INC	031	PURCHASES FOOD	\$70,000.00
221625	01/04/12	03	DIGITAL NETWORKS GRO	035	NON-CAPITALIZED IMPR	\$10,054.07
221626	01/04/12	06	THE ORIGINAL BEAN BL	030	MATERIALS AND SUPPLI	\$256.73
221627	01/04/12	03	A M L E	012	DUES AND MEMBERSHIPS	\$280.00
221628	01/04/12	03	STAPLES ADVANTAGE	004	MATERIALS AND SUPPLI	\$141.24
221629	01/04/12	03	ONE STOP TONER AND I	005	MATERIALS AND SUPPLI	\$159.43
221630	01/04/12	03	IPARADIGMS LLC	014	COMPUTER LICENSING	\$1,534.01
221631	01/05/12	03	STAPLES ADVANTAGE	025	MATERIALS AND SUPPLI	\$342.86
221632	01/05/12	03	A C T	010	MATERIALS AND SUPPLI	\$16,953.75
221633	01/05/12	06	MATHESON TRI-GAS INC	013	REPAIRS BY VENDORS	\$440.00
221634	01/05/12	06	YELLOWSTONE BOYS & G	030	OTHER SERV.& OPER.EX	\$367.30
221635	01/05/12	03	STUDY ISLAND	012	COMPUTER LICENSING	\$2,324.65
221636	01/05/12	03	ARENSON OFFICE FURNI	014	MATERIALS AND SUPPLI	\$133.63
221637	01/05/12	13	BREVIG PLUMBING	025	EQUIPMENT	\$5,700.00
221638	01/05/12	03	PIZZICATO	020	MATERIALS AND SUPPLI	\$250.00
221639	01/06/12	06	NATL GEOGRAPHIC SCHO	004	MATERIALS AND SUPPLI	\$754.37
221640	01/06/12	03	CLMS REGION U PARTNE	012	DUES AND MEMBERSHIPS	\$250.00
221641	01/06/12	06	AMAZON.COM	004	MATERIALS AND SUPPLI	\$252.80
221642	01/06/12	03	TROXELL COMMUNICATIO	035	MATERIALS AND SUPPLI	\$2,255.21
221643	01/06/12	03	SAN DIEGUITO UHSD CA	023	MATERIALS AND SUPPLI	\$1,559.68
221644	01/06/12	03	ACCUVANT, INC.	035	DATA PROCESSING CONT	\$14,956.67
221645	01/06/12	03	PROCURETECH	035	COMPUTER SUPPLIES	\$525.43
221646	01/06/12	03	ONE STOP TONER AND I	013	MATERIALS AND SUPPLI	\$134.67
221647	01/06/12	03	SCHOLASTIC BOOK FAIR	008	MATERIALS AND SUPPLI	\$164.26
221648	01/06/12	03	AVI - SPL	008	MATERIALS AND SUPPLI	\$107.28
221649	01/06/12	03	AREY JONES EDUCATION	035	NON-CAPITALIZED TECH	\$2,136.06
221650	01/06/12	03	BANG, DAVE ASSOCIATE	003	MATERIALS AND SUPPLI	\$176.89
221651	01/09/12	03	AMAZON.COM	004	MATERIALS AND SUPPLI	\$39.31
221652	01/09/12	03	SCHOOL SERVICES OF C	021	PROF/CONSULT./OPER E	\$2,660.00
221653	01/09/12	03	A C T	005	MATERIALS AND SUPPLI	\$6,716.25
221654	01/09/12	03	RHINO ART COMPANY IN	013	MATERIALS AND SUPPLI	\$1,037.55
221655	01/09/12	03	LIBRARY VIDEO COMPAN	004	MATERIALS AND SUPPLI	\$185.53
221656	01/09/12	03	TREETOP PUBLISHING	004	MATERIALS AND SUPPLI	\$927.28
221657	01/09/12	03	FREDRICKS ELECTRIC I	025	REPAIRS BY VENDORS	\$6,345.60
221658	01/09/12	03	D A D ASPHALT	025	REPAIRS BY VENDORS	\$3,300.00
221659	01/09/12	13	FREDRICKS ELECTRIC I	025	NON-CAPITALIZED IMPR	\$9,529.00
221660	01/09/12	03	FREDRICKS ELECTRIC I	035	NON-CAPITALIZED IMPR	\$8,656.40
221661	01/09/12	03	EDUCATIONAL TESTING	033	TEST SCORING	\$6,189.60

PO/BOARD/REPORT

SAN DIEGUITO UNION HIGH
FROM 11/29/11 THRU 01/09/12

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PO NBR	DATE	FUND	VENDOR	LOC	DESCRIPTION	AMOUNT
221662	01/09/12	03	RASIX COMPUTER CENTE	003	MATERIALS AND SUPPLI	\$201.77
221663	01/09/12	03	RASIX COMPUTER CENTE	003	MATERIALS AND SUPPLI	\$67.26
221664	01/09/12	03	COLLEGE BOARD	005	DUES AND MEMBERSHIPS	\$325.00
221665	01/09/12	03	GALE - A CENGAGE LEA	005	COMPUTER LICENSING	\$50.00
221666	01/09/12	06	JAY, SCOTT	030	FEES - ADMISSIONS, T	\$200.50
720016	01/03/12	03	PATHWAY COMMUNICATIO	035	REPAIRS BY VENDORS	\$444.24
720019	01/06/12	03	AFFORDABLE PRINTER C	035	REPAIRS BY VENDORS	\$85.00
820021	11/30/11	06	COMMUNITY INTERVENTI	022	CONFERENCE, WORKSHOP,	\$295.00
820022	12/08/11	03	C S P C A	022	CONFERENCE, WORKSHOP,	\$1,200.00
820023	12/13/11	03	SAN DIEGO COUNTY OFF	022	CONFERENCE, WORKSHOP,	\$200.00
REPORT TOTAL						\$851,197.79

Individual Membership Listings
For the Period of November 29, 2011 through January 9, 2012

<u>Staff Member Name</u>	<u>Organization Name</u>	<u>Amount</u>
Cindy Welch	School Nutrition Association	\$29.75
Carolyn Wong	Crisis Prevention Institute	\$125.00
Laurie Francis	California League of Middle Schools	\$250.00

San Diego County Office of Education

PETITION FOR ISSUANCE OF NEW WARRANT IN LIEU OF VOID WARRANT
(Government Code Section 29802, Warrants
Becoming Void After September 20, 1963)

- 1. TO THE BOARD OF EDUCATION OF THE San Dieguito Union High School District: I, the undersigned, declare that I am the payee of original warrant number 10-977012 dated 3/30/2011, in the amount of One Hundred Thirty-Eight And 79/100 dollars (\$ 138.79) attached hereto and presented to your Board pursuant to Section 29802 of the Government Code. I hereby request that you adopt an order instructing the County Auditor to draw a new warrant in favor of me for the same amount as the original warrant.

Executed at Encinitas, CA on Dec. 2 20 11.

I certify under penalty of perjury that the foregoing is true and correct.

CORINA Y MCGRAW
Name of Payee

[Signature]
Signature of Payee

PO Box 234116, Encinitas, CA 92023
Address of Payee

- 2. ORDER OF THE BOARD OF San Dieguito Union High TO DRAW WARRANT:

It is ORDERED by the Board of Education of the San Dieguito Union High School District that the County Auditor of the County of San Diego draw a new warrant in favor of the same payee and in the same amount of the above described warrant.

Secretary
~~XXXX~~ of the Board

Date _____ 20 ____ By _____ Deputy

- 3. DISTRICT'S REISSUE OF PAYROLL WARRANT:

On _____ 20 _____, the district issued commercial warrant number _____ to **CORINA Y MCGRAW**, payee, for One Hundred Thirty-Eight And 79/100 dollars to replace void warrant number 10-977012 described above.

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 10, 2012

BOARD MEETING DATE: January 19, 2012

PREPARED BY: John Addleman, Director of Planning and
Financial Management
Eric Dill, Assoc. Supt. of Business Services

SUBMITTED BY: Ken Noah
Superintendent

SUBJECT: ADOPTION OF RESOLUTION/REPORT ON
STATUTORY SCHOOL FEES AND
FINDINGS 2010-2011

EXECUTIVE SUMMARY

Government Code Section 66006 provides that all school districts shall make available to the public certain information and shall adopt described findings relative to statutory school fees collected, pursuant to Government Code Sections 53080 *et seq.* and 65995 *et seq.*, and Mitigation Payments collectively. The described information and findings relate to Reportable Fees (Fund 25-19) received, expended or to be expended in connection with school facilities to accommodate additional students from new development if funded or partially funded with Reportable Fees. Reportable Fees have not been levied, collected or imposed for general revenue purposes.

The following Annual and Five Year Reports for fiscal year 2010-2011 include the information the District intends to review and adopt in accordance with Government Code Section 66006. These reports were made available to the public on December 9, 2011. No comments were received during the public review period.

The amount of \$466K of reportable fees collected in 2010-2011 was a modest improvement compared to the \$422K collected in the prior fiscal year. While still a far cry from activity seen prior to 2007-2008, when \$725K was collected, perhaps this year

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reflects a stabilization of, if not a positive uptick of, infill residential construction and home remodels. Despite the continued limited collections, the District was able to complete a number of projects in 2010-2011, including two 21st Century Classrooms, one located at Torrey Pines High School, and one at San Dieguito Academy, minor improvements to drainage at Earl Warren Middle School tennis courts, and the successful completion of the City required pathway and beautification project fronting Sunset High School.

RECOMMENDATION:

It is recommended that the Board adopt the resolution regarding statutory school fees and report for fiscal year 2010-2011, and the findings in compliance with Government Code sections 66006 and 66001, as shown in the attached supplements.

FUNDING SOURCE:

Not applicable.

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE
SAN DIEGUITO UNION HIGH SCHOOL DISTRICT RELATING TO
INFORMATION MADE AVAILABLE TO THE PUBLIC IN
THE FORM OF A STATUTORY SCHOOL FEES AND
MITIGATION PAYMENTS (“REPORTABLE FEES”)
REPORT FOR FISCAL YEAR 2010-2011
 (“REPORTABLE FEES REPORT”), AND FINDINGS THEREON, IN
COMPLIANCE WITH GOVERNMENT CODE SECTIONS 66006 AND 66001**

WHEREAS, San Dieguito Union High School District (“District”) has received and expended Reportable Fees in connection with school facilities (“School Facilities”) of the District for new development and these funds have been deposited in a capital facilities account as provided by Section 66006 (a) of the Government Code; and

WHEREAS, in accordance with Section 66006 (a) of the Government Code, the District has established and maintained a separate capital facilities account and maintained such capital facilities account in a manner to avoid any commingling of the Reportable Fees with other revenues and funds of the District, except for temporary investments, and has expended those Reportable Fees collected for the sole purpose for which they were collected; and

WHEREAS, Section 66006 (b)(1) of the Government Code provides that the District shall make available to the public within one hundred eighty (180) days after the last day of each fiscal year the following information in the form of a Reportable Fees Report:

- (A) A brief description of the type of Reportable Fee in the account.
- (B) The amount of the Reportable Fees.
- (C) The beginning and ending balance of the account.
- (D) The amount of the Reportable Fees collected and the interest earned.
- (E) An identification of each project (“Project”) of the District on which Reportable Fees were expended and the amount of the expenditures on each project, including the total percentage of the cost of the Project that was funded with Reportable Fees.

- (F) An identification of an approximate date by which the construction of a Project will commence if the District determines that sufficient funds have been collected to complete financing on an incomplete Project, as identified in paragraph (2) of subdivision (a) of Section 66001, and the Project remains incomplete.
- (G) A description of each interfund transfer or loan made from the account, including the Project on which the transferred or loaned Reportable Fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account will receive on the loan.
- (H) The amount of refunds made pursuant to subdivision (e) of Section 66001 and any allocations pursuant to subdivision (f) of Section 66001; and

WHEREAS, Section 66001 (d) of the Government Code provides that for the fifth fiscal year following the first deposit into the account, and every five years thereafter, the District shall make all of the following findings with respect to that portion of the account remaining unexpended, whether committed or uncommitted:

- (1) Identification of the purpose to which the Reportable Fees are to be put.
- (2) Demonstration of a reasonable relationship between the Reportable Fees and the purpose for which they are charged.
- (3) Identification of all sources and amounts of funding anticipated to complete financing of the Projects of the District.
- (4) Designation of the approximate dates on which the funding referred to in paragraph (3) is expected to be deposited into the appropriate account; and

WHEREAS, when findings are required by Section 66001 (d) of the Government Code, they shall be made in connection with the information required by Section 66006 of the Government Code; and

WHEREAS, Section 66006 (b)(2) of the Government Code requires the Board of Trustees (“Board”) to review the information made available to the public at a regularly scheduled public meeting and any other relevant information including, but not limited to, that certain Reportable Fees Report prepared for District entitled “SAN DIEGUITO UNION HIGH SCHOOL DISTRICT ANNUAL AND FIVE YEAR REPORTS FOR FISCAL YEAR 2010-2011 IN COMPLIANCE WITH GOVERNMENT CODE SECTIONS 66006 AND 66001” (“REPORTABLE FEES REPORT”) not less than fifteen (15) days after this Reportable Fees Report is made available to the public; and

WHEREAS, the District has complied with all of the foregoing provisions.

NOW, THEREFORE, ON BEHALF OF THE DISTRICT IT IS HEREBY RESOLVED, DETERMINED AND ORDERED AS FOLLOWS:

Section 1. That pursuant to Government Code Sections 66001 (d) and 66006 (b)(1) and (2), the District has made available to the public the requisite information and proposed findings concerning collection and expenditure of Reportable Fees related to School Facilities for new development within the District.

Section 2. That the Board of the District at a public meeting has reviewed the following information pursuant to Government Code Section 66006 (b)(1) as is required by Government Code Section 66006(b)(2):

- (A) A brief description of the type of Reportable Fee in the account.
- (B) The amount of the Reportable Fee.
- (C) The beginning and ending balance of the account.
- (D) The amount of Reportable Fees collected and the interest earned.

- (E) An identification of each Project on which Reportable Fees were expended and the amount of the expenditures on each Project, including the total percentage of the cost of the Project that was funded with Reportable Fees.
- (F) An identification of an approximate date by which the construction of the Project will commence if the District determines that sufficient funds have been collected to complete financing on an incomplete Project, as identified in paragraph (2) of subdivision (a) of Section 66001, and the Project remains incomplete.
- (G) A description of each interfund transfer or loan made from the account, including the Project on which the transferred or loaned Reportable Fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid, and the rate of interest that the account will receive on the loan.
- (H) The amount of refunds made pursuant to subdivision (e) of Section 66001 and any allocations pursuant to subdivision (f) of Section 66001; and

Section 3. That the Board of the District at a public meeting has reviewed the proposed findings as required by Government Code Section 66001 (d):

- (1) Identification of the purpose to which the Reportable Fees are to be put.
- (2) Demonstration of a reasonable relationship between the Reportable Fees and the purpose for which they are charged.
- (3) Identification of all sources and amount of funding anticipated to complete financing of Projects of the District.
- (4) Designation of the approximate dates on which the funding referred to in paragraph (3) is expected to be deposited into the appropriate account.

Section 4. That the Board of the District hereby determines that all Reportable Fees, collections and expenditures have been received, deposited, invested and expended in compliance with the relevant sections of the Government Code and all other applicable laws.

Section 5. That the Board of the District hereby determines that no refunds and allocations of Reportable Fees, as required by Government Code Section 66001, are deemed payable at this time.

Section 6. That the Board of the District hereby determines that the District is in compliance with Government Code Section 66000 *et seq.* relative to receipt, deposit, investment, expenditure or refund of Reportable Fees received and expended relative to School Facilities for new development.

ADOPTED, SIGNED AND APPROVED, this 19th day of January, 2012.

BOARD OF TRUSTEES OF THE
SAN DIEGUITO UNION HIGH
SCHOOL DISTRICT

By: _____
President of the Board of Trustees of the
San Dieguito Union High School District

ATTEST:

By: _____
Clerk of the Board of Trustees of the
San Dieguito Union High School District

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN DIEGO)

I, Amy Herman, Clerk of the Board of Trustees of the San Dieguito Union High School District, do hereby, certify that the foregoing Resolution was duly adopted by the Board of Trustees of said District at a meeting of said Board held on the 19th day of January, 2012, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

By: _____
Clerk of the Board of Trustees of the
San Dieguito Union High School District

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN DIEGO)

I, Amy Herman, Clerk of the Board of Trustees of the San Dieguito Union High School District, do hereby certify that the foregoing is a full, true and correct copy of the Resolution of said Board and that the same has not been amended or repealed.

Date: January 19, 2012

By: _____
Clerk of the Board of Trustees of the
San Dieguito Union High School District

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
ANNUAL AND FIVE YEAR REPORTS
FOR FISCAL YEAR 2010-2011
IN COMPLIANCE WITH
GOVERNMENT CODE SECTIONS 66006 AND 66001**

Government Code Sections 66006 and 66001 provide that the San Dieguito Union High School District (“District”) shall make available to the public certain information and adopt described findings relative to statutory school fees (“Statutory School Fees”) collected pursuant to Government Code Sections 53080 et seq and 65995 et seq., Senate Bill 201 fees (“SB 201 Fees”) collected also pursuant to Government Code Section 65970 et seq., and Mitigation Payments collectively (“Reportable Fees”). The described information and findings relate to Reportable Fees received, expended or to be expended in connection with school facilities (“School Facilities”) to accommodate additional students from new development if funded or partially funded with Reportable Fees. The Reportable Fees do not include special tax proceeds, letters of credit, bonds, or other instruments to secure payment of Reportable Fees at a future date. The Reportable Fees have not been levied, collected, or imposed for general revenue purposes.

The following Annual and Five-Year Reports include the information and proposed findings the District intends to review and adopt in accordance with Government Code Sections 66006 and 66001.

I.

INFORMATION MADE AVAILABLE PURSUANT TO GOVERNMENT CODE SECTION 66006 FOR FISCAL YEAR 2010-2011:

1. In accordance with Government Code Section 66006(b)(1) and (2), the District provides the following information for fiscal year 2010-2011:

A. DESCRIPTION OF THE TYPE OF FEES IN THE ACCOUNT OF THE DISTRICT:

The Reportable Fees of the District for fiscal year 2010-2011 consist of Statutory School Fees.

B. AMOUNT OF THE REPORTABLE FEES:

The Statutory School Fee amounts for fiscal year 2010–2011 are set forth in Schedule A which is incorporated herein. These Statutory School Fee amounts were previously adopted on behalf of the District by the Board of Trustees (“Board”) of the District. The Statutory School Fee amounts only partially mitigate the impacts to the District caused by new residential development because the Statutory School Fees do not adequately fund School Facility needs resulting from additional development within the District.

C. BEGINNING AND ENDING BALANCE OF ACCOUNT :

	Reportable Fees
Beginning Balance (7/01/09)	\$1,112,400.35
Ending Balance (6/30/10)	\$1,017,172.88

D. AMOUNT OF THE REPORTABLE FEES COLLECTED AND INTEREST EARNED:

Amount of Reportable Fees Collected	Amount of Interest Earned
\$466,484.83	\$6,792.77

E. IDENTIFICATION OF EACH PROJECT OF THE DISTRICT ON WHICH STATUTORY SCHOOL FEES WERE EXPENDED AND THE AMOUNT OF THE EXPENDITURES ON EACH PROJECT OF THE DISTRICT, INCLUDING THE TOTAL PERCENTAGE OF THE COST OF THE PROJECT OF THE DISTRICT THAT WAS FUNDED WITH STATUTORY SCHOOL FEES:

The foregoing information¹ is set forth in Schedule B, which are incorporated herein.

F. IDENTIFICATION OF AN APPROXIMATE DATE BY WHICH THE CONSTRUCTION OF PROJECT(S) OF THE DISTRICT WILL COMMENCE IF THE DISTRICT DETERMINES THAT SUFFICIENT FUNDS HAVE BEEN COLLECTED TO COMPLETE FINANCING ON AN INCOMPLETE PROJECT OF THE DISTRICT, AS IDENTIFIED IN PARAGRAPH (2) OF SUBDIVISION (A) OF SECTION 66001, AND THE PROJECT OF THE DISTRICT REMAINS INCOMPLETE:

The District determined that it had sufficient funds to initiate construction of the following in fiscal year 2010-2011:

Oak Crest Middle School – Reclaimed Water Installation

The District determined that it had sufficient funds to initiate construction of the following in fiscal year 2009-2010:

San Dieguito Academy – Drainage Improvements at Melba
San Dieguito Academy – Performing Arts Complex

G. DESCRIPTION OF EACH INTERFUND TRANSFER OR LOAN MADE FROM THE ACCOUNT INCLUDING PROJECT(S) OF THE DISTRICT ON WHICH THE TRANSFERRED OR LOANED STATUTORY SCHOOL FEES WILL BE EXPENDED, AND, IN THE CASE OF AN INTERFUND LOAN, THE DATE ON WHICH THE LOAN WILL BE REPAYED, AND THE RATE OF INTEREST THAT THE ACCOUNT WILL RECEIVE ON THE LOAN:

Funds to Which Statutory School Fees Are Loaned	Amount	Date Loan To Be Repaid	Rate of Interest
N/A			

H. THE AMOUNT OF REFUNDS MADE OR REVENUES ALLOCATED FOR OTHER PURPOSES IF THE ADMINISTRATIVE COSTS OF REFUNDING UNEXPENDED REVENUES EXCEED THE AMOUNT TO BE REFUNDED:

No refunds of Reportable Fees were made in fiscal year 2010-2011, and no refunds are required under applicable law.

¹ The information will also include any Statutory School Fees spent for administrative costs associated with the adoption, collection, and reporting of the Statutory School Fees.

SCHEDULE A.

Statutory School Fees:

Residential Development \$1.13 per square foot of habitable living space should development reside in Rancho Santa Fe Elementary School District. \$1.56 per square foot of habitable living space all other areas.

Commercial/Industrial Development \$.18 per square foot of covered and enclosed space should development reside in Rancho Santa Fe Elementary School District. \$.25 per square foot of covered and enclosed space all other areas.

SCHEDULE B.

Improvement	Amount Expended	Percent Funded
Site Improvements	\$ 119,753.74	100%
New Construction/Building Improvements	\$ 355,733.94	100%
Consultants/Studies/Demographics	\$ 65,056.73	100%
Legal Advertising	\$ 163.11	100%
Furniture & Equipment	\$ 15,137.53	100%
Administrative Costs	\$ 12,660.02	100%
<i>Total</i>	\$ 568,505.07	

II. FIVE YEAR REPORT

In accordance with Government Code Section 66001, the District provides the following information with respect to that portion of the account or sub-account(s) remaining unexpended, whether committed or uncommitted:

A. IDENTIFICATION OF THE PURPOSE TO WHICH THE REPORTABLE FEES ARE TO BE PUT

The purpose of the Reportable Fees imposed and collected on new residential and commercial/industrial development within the District during fiscal year 2010-2011 was to fund the additional grade 7-12 School Facilities required to serve the grade 7-12 Project Students generated by new development within the District. Specifically, the Reportable Fees will be used for the construction and/or acquisition of additional School Facilities, improvements to existing School Facilities to add additional classrooms, sustainability, and technology, as well as acquiring and installing additional portable classrooms to accommodate Project Students.

B. DEMONSTRATION OF A REASONABLE RELATIONSHIP BETWEEN THE REPORTABLE FEES AND THE PURPOSES FOR WHICH THEY ARE CHARGED

There is a roughly proportional, reasonable relationship between the new development upon which the Reportable Fees are charged and the need for additional School Facilities by reason of the fact that additional students will be generated by additional development within the District and the District does not have student capacity in its existing School Facilities to accommodate these new students. Furthermore, the Reportable Fees charged on new development will be used to fund School Facilities that will be used to serve the students generated from new development and the Reportable Fees do not exceed the costs of providing such School Facilities for new students.

C. IDENTIFICATION OF ALL SOURCES AND AMOUNTS OF FUNDING ANTICIPATED TO COMPLETE FINANCING OF THE SCHOOL FACILITIES THE DISTRICT HAS IDENTIFIED IN THE DISTRICT'S REPORTS

Schedule C lists the proposed funding sources for all pending School Facility projects, as presently identified by the District:

D. IDENTIFICATION OF THE APPROXIMATE DATES ON WHICH THE FUNDING REFERRED TO IN SECTION C IS EXPECTED TO BE DEPOSITED INTO THE APPROPRIATE ACCOUNT OR FUND

Schedule D lists the approximate dates on which the funds are expected to be available for the School Facility Projects presently identified by the District

ITEM 16

Schedule C - IDENTIFICATION OF ALL SOURCES AND AMOUNTS OF FUNDING ANTICIPATED TO COMPLETE FINANCING OF THE SCHOOL FACILITIES THE DISTRICT HAS IDENTIFIED IN THE DISTRICT'S REPORTS

5-Year Report (2010-2011)
Schedule C 10-11

Project	Est. Cost	State School Bldg. Program	Mello Roos	NCW	Reportable Fees	Other
Canyon Crest Academy						
2011 Facilities Action Plan*	\$35,196,660	unknown	unknown	unknown	unknown	unknown
Carmel Valley Middle School						
2011 Facilities Action Plan*	\$8,974,985	unknown	unknown	unknown	unknown	unknown
Diegueno Middle School						
2011 Facilities Action Plan*	\$30,065,174	\$3,057,943	unknown	unknown	unknown	unknown
Earl Warren Middle School						
Modernization*	\$3,101,014	\$1,860,608	unknown	unknown	unknown	unknown
2011 Facilities Action Plan*	\$32,016,557	\$119,132	unknown	unknown	unknown	unknown
La Costa Canyon High School						
2011 Facilities Action Plan*	\$41,352,250	unknown	unknown	unknown	unknown	unknown
La Costa Valley Middle School *						
	\$37,368,370	\$3,633,149 est.	unknown	unknown	unknown	unknown
Maintenance Mod. & Expansion *						
	unknown	unknown	unknown	unknown	unknown	unknown
Oak Crest Middle School						
2011 Facilities Action Plan*	\$20,896,197	\$789,709	unknown	unknown	unknown	unknown
Pacific Highlands Ranch M.S.*						
	\$68,744,159	\$15,137,000 est.	unknown	unknown	unknown	unknown
S.D. Academy High School						
2011 Facilities Action Plan*	\$76,242,438	\$2,461,098	unknown	unknown	unknown	unknown
Performing Arts Complex	\$8,890,968	\$4,835,637	\$1,692,483	N/A	\$32,192	\$2,330,656
Sunset High School						
Modernization *	\$1,091,367	\$654,820	\$69,617	N/A	\$367,032	N/A
2011 Facilities Action Plan*	\$9,393,216	\$41,760	unknown	unknown	unknown	unknown
Torrey Pines High School						
2011 Facilities Action Plan*	\$76,683,247	6,709,282	unknown	unknown	unknown	unknown
Visual Performing Arts*	\$10,719,800	unknown	unknown	unknown	unknown	unknown
Energy Efficiency Improvements – Phase 2 – 4*	\$750,000	N/A	N/A	N/A	\$750,000	N/A
Transportation Facility Improvements*						
	11,600,000	unknown	unknown	unknown	unknown	unknown
Districtwide						
2011 Facilities Action Plan – Tech.*	\$18,000,000	unknown	unknown	unknown	unknown	unknown
TOTAL	\$491,086,402	\$39,300,138	\$1,762,100	\$0.00	\$1,149,224	\$2,330,656

(*) Projects in preliminary planning with no cost estimate and/or known completion date for financing. Facility Action Plans reflect multiple projects that reflect flexible, adaptable, sustainable, technology rich, and community centric projects, including new construction, classroom modernization, infrastructure improvements. Facility Action Plans are available for review in the Planning Department.

Schedule D - IDENTIFICATION OF THE APPROXIMATE DATES ON WHICH THE FUNDING REFERRED TO IN SECTION C IS EXPECTED TO BE DEPOSITED INTO THE APPROPRIATE ACCOUNT OR FUND

5-Year Report (2010-2011)
Schedule D 10-11

	State School			Reportable	
Project	Bldg. Program	Mello Roos	NCW	Fees	Other
Canyon Crest Academy					
2011 Facilities Action Plan*	unknown	unknown	unknown	unknown	unknown
Carmel Valley Middle School					
2011 Facilities Action Plan*	unknown	unknown	unknown	unknown	unknown
Diegueno Middle School					
2011 Facilities Action Plan*	unknown	unknown	unknown	unknown	unknown
Earl Warren Middle School					
Modernization*	unknown	unknown	unknown	unknown	unknown
2011 Facilities Action Plan*	unknown	unknown	unknown	unknown	unknown
La Costa Canyon High School					
2011 Facilities Action Plan*	unknown	unknown	unknown	unknown	unknown
La Costa Valley Middle School *	unknown	unknown	unknown	unknown	unknown
Maintenance Mod. & Expansion *	unknown	unknown	unknown	unknown	unknown
Oak Crest Middle School					
2011 Facilities Action Plan*	unknown	unknown	unknown	unknown	unknown
Pacific Highlands Ranch M.S.*	unknown	unknown	unknown	unknown	unknown
S.D. Academy High School					
2011 Facilities Action Plan*	unknown	unknown	unknown	unknown	unknown
Performing Arts Complex	2009/10	2009/10	N/A	2009/10	2009/10
Sunset High School					
Modernization *	unknown	unknown	unknown	unknown	unknown
2011 Facilities Action Plan*	unknown	unknown	unknown	unknown	unknown
Torrey Pines High School					
2011 Facilities Action Plan*	unknown	unknown	unknown	unknown	unknown
Visual Performing Arts*	unknown	unknown	unknown	unknown	unknown
Energy Efficiency Improvements – Phase 2 – 4*	unknown	unknown	unknown	unknown	unknown
Transportation Facility Improvements*	unknown	unknown	unknown	unknown	unknown
Districtwide					
2011 Facilities Action Plan – Tech.*	unknown	unknown	unknown	unknown	unknown

(*) Projects in preliminary planning with no cost estimate and/or known completion date for financing.

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 9, 2012

BOARD MEETING DATE: January 19, 2012

PREPARED BY: Delores Perley, Director of Finance
Eric R. Dill, Assoc. Supt., Business Serv.

SUBMITTED BY: Ken Noah
Superintendent

SUBJECT: ACCEPTANCE OF THE 2010-11 ANNUAL
AUDIT REPORT

EXECUTIVE SUMMARY

The District entered into an agreement for the annual audit of all funds with Wilkinson, Hadley, King, & Co. LLP – Certified Public Accountants. The audit has been completed in accordance with state law. Wilkinson, Hadley, King, & Co. LLP now presented the audit report for your review and acceptance. Copies have been forwarded to the County Superintendent and the California Department of Education within the time frame required by law.

Findings and recommendations are noted on pages 65 through 67 of the audit report. Each exception requires a response from the district (LEA's response) and is included in the audit report as the last paragraph of each exception.

The following exceptions were noted:

Page 65, Item B, Finding 2011-1 (30000)

The auditors discovered that several of the Associated Student Body (ASB) deposit forms and some check request forms did not have all the required signatures. The District has included proper cash collection and disbursement procedures as part of the ongoing training provided to Principals, Assistant Principals, ASB advisors and their accounting assistants throughout the year. The District's internal auditor regularly reviews ASB transactions for compliance with sound accounting practices.

Page 66, Finding 2011-2 (30000)

The auditors noted some items regarding the District Purchasing Card program, including delays in the approval process, and timeliness of reporting. The time period audited was during the early pilot phase for some departments. During the District's pilot program, processes were developed, tested and changes were made to ensure a program that provides proper approval and review for all purchases. Those changes

were finalized and incorporated into the Administrative Regulation (#3314) reviewed by the Board of Trustees at the November 17, 2011 meeting. Administration continues to review the purchases to ensure proper approval and timely submission of reports. No purchases reviewed by the auditors were found to be improper. ITEM 17

Page 67, Item C, Finding 2011-3 (50000)

The auditors determined that some time certifications for extra time funded by federal sources were not completed. The Federal Office of Management and Budget requires that salaries spent working on various federal programs be documented and certified as meeting the objectives of the funding. In the past, the District has used the electronic timecard approval process to satisfy the certification requirement. The auditors requested that an additional layer of certification be implemented. Employee time records are now printed, reviewed, and signed by a program administrator to document authorization. None of the questioned expenses were inappropriate.

None of the auditor's findings had any financial impact on the District. Notwithstanding, staff takes these findings seriously and will ensure all corrective action is implemented.

RECOMMENDATION:

It is recommended that the Board accept the 2010-11 annual audit of the San Dieguito Union High School District, as prepared by Wilkinson, Hadley, King, & Co. LLP, as shown in the attached supplement.

FUNDING SOURCE:

Not applicable.

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
COUNTY OF SAN DIEGO
ENCINITAS, CALIFORNIA**

AUDIT REPORT

JUNE 30, 2011

**WILKINSON HADLEY KING & CO. LLP
CPA's and Advisors
218 W Douglas Ave.
El Cajon, CA 92020**

Introductory Section

San Dieguito Union High School District
Audit Report
For The Year Ended June 30, 2011

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San Dieguito Union High School District
Audit Report
For The Year Ended June 30, 2011

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Financial Section

WILKINSON HADLEY KING & CO. LLP

CPA's and Advisors
218 W Douglas Ave.
El Cajon, CA 92020

Independent Auditor's Report on Financial Statements

Board of Trustees
San Dieguito Union High School District
Encinitas, California

Members of the Board of Trustees:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of San Dieguito Union High School District as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of San Dieguito Union High School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of San Dieguito Union High School District as of June 30, 2011, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2011, on our consideration of San Dieguito Union High School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information identified as Required Supplementary Information in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the San Dieguito Union High School District's financial statements as a whole. The combining financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The accompanying other supplementary information is presented for purposes of additional analysis as required by the State's audit guide, *Standards and Procedures for Audits of California K-12 Local Education Agencies 2010-11*, published by the Education Audit Appeals Panel, and is also not a required part of the financial statements. The combining financial statements and other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Wilkinson Hadley King & Co LLP

El Cajon, California
December 2, 2011

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Fiscal Year Ended June 30, 2011
(Unaudited)**

This section of San Dieguito Union High School District's (District) annual financial report presents management's discussion and analysis of the District's financial performance during the year ending June 30, 2011. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the financial statements and notes to the basic financial statements included in the audit report to enhance their understanding of the District's financial performance.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. The statements are organized so the reader can understand the District as a complex financial entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole district, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2011 are as follows:

- Total governmental fund net assets are \$124,995,175
- The state wide average for the cost of living adjustment was -.39%

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the assets and liabilities of the District, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the net assets of the District changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Fund financial statements

A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

- **Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains twelve individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the county school facilities fund, and the capital projects fund for blended component units, each of which are considered to be major funds. Data from the other nine governmental funds are combined into a single, aggregated presentation. Individual data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

- **Proprietary funds.** The District maintains one proprietary fund type, an internal service fund.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses three internal service funds to account for services provided to all the other funds of the District: Insurance premium reduction fund, other post-employment benefits fund and deductible insurance loss fund. The internal service funds have been included within *governmental activities* in the government-wide financial statements. The three internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government’s financial position. In the case of the District, assets exceeded liabilities by \$125.0 million at the close of the most recent fiscal year.

**SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
2010-11 NET ASSETS
(In Millions of Dollars)**

	Governmental Activities		2010-11 % of Total	Total % Change over 09-10
	2009-2010	2010-2011		
Current and Other Assets	47.3	33.9	14%	-28.3%
Capital Assets	193.5	200.5	86%	3.6%
Total Assets	\$ 240.8	\$ 234.4		-2.7%
Long Term Debt Outstanding	104.8	101.2	93%	-3.4%
Other Liabilities	6.1	8.2	7%	34.4%
Total Liabilities	\$ 110.9	\$ 109.4		-1.4%
<u>Net Assets</u>				
Invested in Capital Assets, Net of Related Debt	92.8	98.9	79%	6.6%
Restricted	37.1	26.1	21%	-29.6%
Total Net Assets	\$ 129.9	\$ 125.0		-3.8%

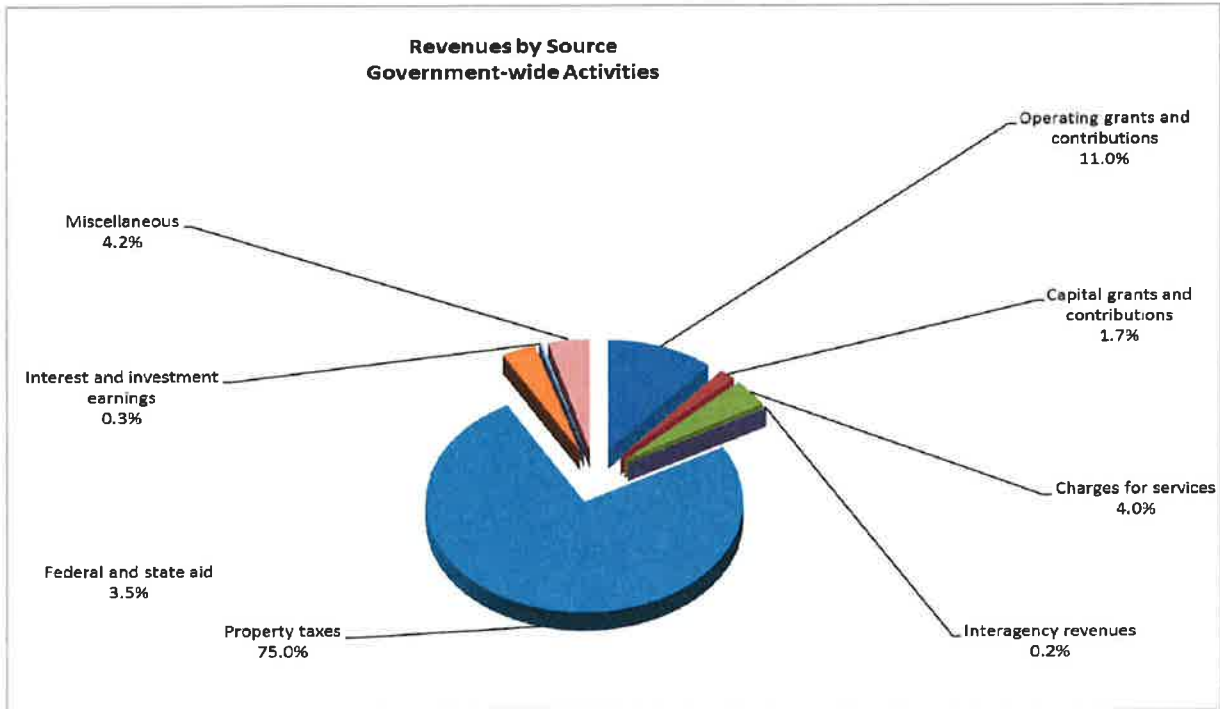
- The resources in capital assets, less related debt, is 79% of total net assets. Capital assets include land, site improvements, buildings, equipment, and work in progress, less a reduction for accumulated depreciation.
- The restricted portion of the District’s net assets (21%), are reserved for capital projects, debt service and educational programs. The majority of the restricted balance consists of bond proceeds through the Community Facilities District (CFD) or Mello-Roos.

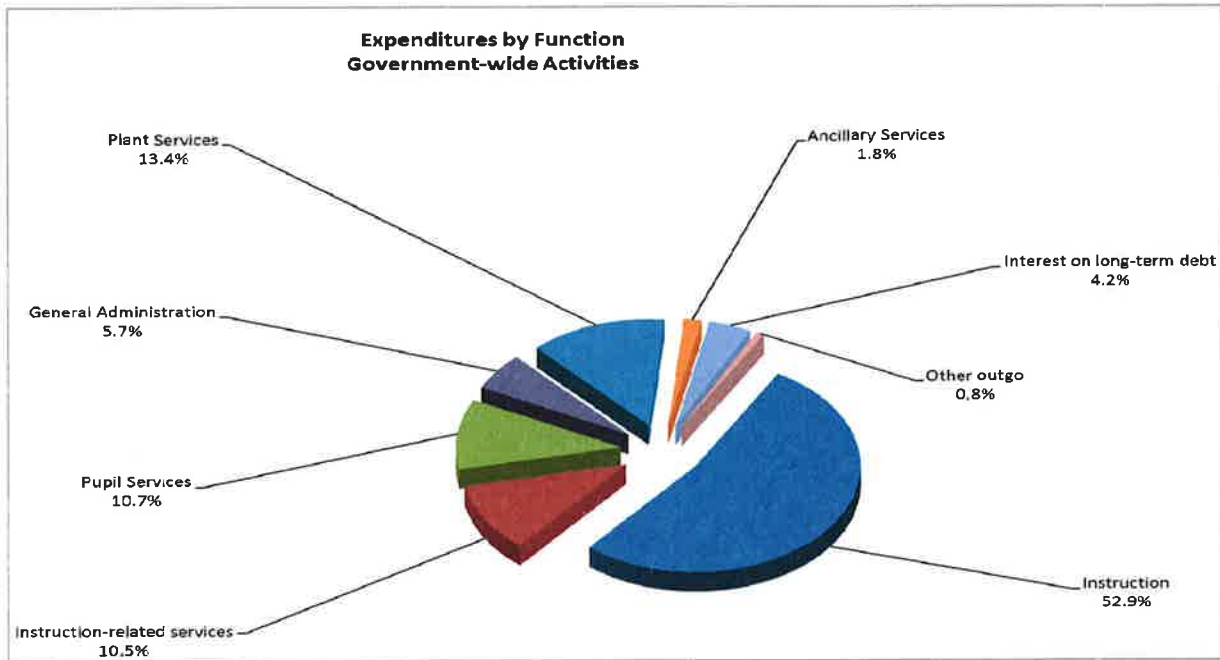
Governmental activities. The key elements of the District's net assets for the year ended June 30, 2011 are as follows:

	Governmental Activities		% of Total 2010-2011	% change over 09-10
	2009-2010	2010-2011		
<u>Revenues</u>				
Program revenues				
Charges for services	4,154,302	4,463,603	4.00%	7.4%
Operating grants and contributions	9,123,611	12,244,268	10.96%	34.2%
Capital grants and contributions	3,002,823	1,876,342	1.68%	-37.5%
General revenues				
Property taxes	85,672,845	83,808,941	75.04%	-2.2%
Federal and state aid not restricted to specific purposes	6,393,074	3,924,967	3.51%	-38.6%
Interest and investment earnings	555,987	385,690	0.35%	-30.6%
Interagency revenues	58,141	237,009	0.21%	307.6%
Miscellaneous	4,666,592	4,742,330	4.25%	1.6%
Total revenues	\$ 113,627,375	\$ 111,683,150	100.00%	-1.7%
<u>Expenditures by Function</u>				
Governmental activities				
Instruction	62,093,825	61,639,007	52.85%	-0.7%
Instruction-related services	13,509,110	12,303,983	10.55%	-8.9%
Pupil Services	12,468,322	12,459,693	10.68%	-0.1%
General Administration	7,002,194	6,624,375	5.68%	-5.4%
Plant Services	16,406,260	15,683,544	13.45%	-4.4%
Ancillary Services	1,973,845	2,072,062	1.78%	5.0%
Interest on long-term debt	4,113,849	4,892,618	4.20%	18.9%
Other outgo	411,197	952,941	0.82%	131.7%
Depreciation (unallocated)	-	-	-	-
	\$ 117,978,602	\$ 116,628,223	100.00%	-1.1%
Increase (decrease) in net assets	\$ (4,351,227)	\$ (4,945,073)		
Net Assets - beginning	\$ 134,291,475	\$ 129,940,248		
Net assets - ending	\$ 129,940,248	\$ 124,995,175		

- **Charges for Services:** Increase of \$309K (+7.4%) – due to an increase in ROP funds, due to categorical flexibility.
- **Operating Grants & Contributions:** Increase of \$3.4 Mil (+34.2%) – due to additional one-time Federal Jobs Bill Funds, Mandated Cost and Other State Revenue.
- **Capital Grants & Contributions:** Decrease of \$1.1 Mil (-37.5%) – due to receipt of a State School Building Loan for the San Dieguito Academy Performing Arts Building received in 2009-10 only.
- **Federal and State Aid not Restricted to Specific Purposes:** Decrease of \$2.5 Mill (-38.6%) – due to a greater Basic Aid Fair Share Contribution and other decreases in state funding.

- Interest and Investment Earnings: Decrease of \$170K (-30.6%) – decrease in interest rates, as well as cash balances.
- Interagency Revenues: Increase of \$179K (+307.6%) – as a result of additional ROP funding.
- Interest on Long Term Debt: Increase of \$779K (+18.9%) – due to first year of interest on solar project bonds.
- Other Outgo: Increase \$542K (+131.7%) – increase in County Mental Health costs due to state budget reductions.





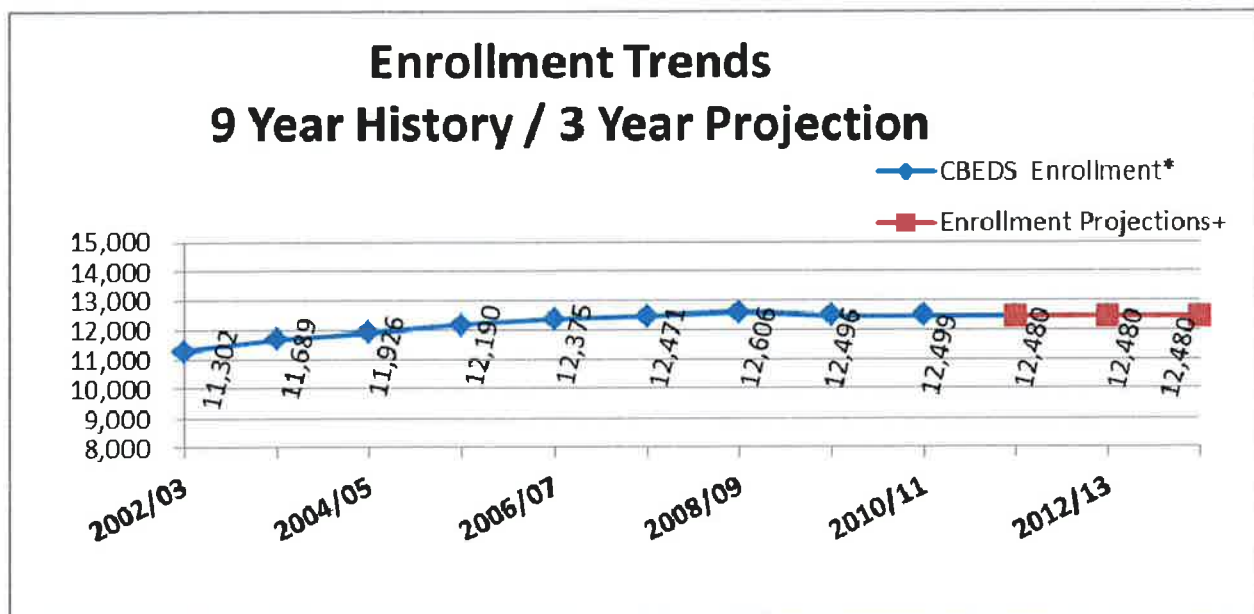
- The District is currently classified as a “Basic Aid” district. This means the local property taxes collected exceed the funded revenue limit entitlement provided by the state. The District became a Basic Aid district in 2008/09 following state funding cuts to the revenue limit. In 2010/11, the state funded approximately 82% of the base revenue limit.
- Depending on the level of local property tax revenue, the District might transition back to Revenue Limit and receive state aid in the future should the state fully restore education funding to its statutory requirement. State aid is based primarily on average daily attendance (ADA) and other appropriations. If a student is in attendance a full 180 days, the state awards the District one ADA. The state guarantees that if local taxes do not provide money equal to the base revenue limit guarantee it will make up the difference with state funding. The value of the base revenue limit decreased by .29% during the year ended June 30, 2011.

REVENUE LIMIT TABLE				
	<u>SDUHSD</u>	<u>% Increase</u>	<u>State Average</u>	<u>Difference</u>
2002-03	5,383	2.05%	5,400	(17)
2003-04	5,485	1.89%	5,587	(102)
2004-05	5,654	3.08%	5,742	(88)
2005-06	5,897	4.30%	5,986	(89)
2006-07	6,350	7.68%	6,400	(50)
2007-08	6,640	4.57%	6,690	(50)
2008-09	7,019	5.71%	7,069	(50)
2009-10	7,319	4.27%	7,369	(50)
2010-11	7,298	-0.29%	7,340	(42)

Enrollment, Enrollment Projections, and ADA

School Year	CBEDS Enrollment	Enrollment Projections	P2 ADA
2001/02	10,930		10,356
2002/03	11,302		10,806
2003/04	11,689		11,269
2004/05	11,926		11,525
2005/06	12,190		11,731
2006/07	12,375		11,950
2007/08	12,471		12,027
2008/09	12,606		11,882
2009/10	12,496		12,150
2010/11	12,499		11,989
2011/12*		12,480	
2012/13*		12,480	
2013/14*		12,480	

*estimated



Financial Analysis of the District’s Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the District’s *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District’s financing requirements. As the District completed the year, its governmental funds reported a combined fund balance of \$29.6 million; \$12.3 million lower than the previous year due to Capital Projects, such as the solar projects at La Costa Canyon High School and Canyon Crest

Academy and the Performing Arts Center at San Dieguito Academy. The general fund had a fund balance decrease of approximately \$1.2 million with the depletion of one-time Federal Stimulus Funding. In addition, the following expenditures should be noted:

- General fund salaries totaled \$65.1 million while the associated employee benefits of retirement, social security, Medicare, insurance (medical, dental, life, and accident), workers' compensation, and unemployment added \$18.8 million to arrive at 84% of total general fund expenditures.

Governmental funds report the differences between their assets and liabilities as fund balance, which is divided into non-spendable, restricted, designated, assigned and unassigned portions. Non-spendable amounts represent items such as inventory and revolving cash. Restricted fund balances are those associated with restricted funding sources. Designated and assigned portions of the District's fund balances indicate the amounts that are not available for appropriation, but are reserved for District determined purposes. Fund balances of debt service, capital projects, and other governmental funds are restricted by state law to be spent for the purpose of the fund and are not available for spending at the District's discretion. The \$15.3 million fund balance of the general fund is primarily designated for the following purposes:

Reserve for economic uncertainty. As required by state law, the District has established an unassigned reserve within the unrestricted general fund. This reserve is required to be at least 3% of general fund expenditures set aside for contingencies or possible reductions in state funding and is not to be used in the negotiation or settlement of contract salaries.

In addition, the District's Board of Trustees requires a minimum reserve of 4.5%, as well as a Basic Aid Reserve of 3%. As of June 2011, the \$8.9 million held in reserve meets the combined 7.5% requirement. The maintenance of a sufficient reserve is a key credit consideration in garnering excellent short-term and long-term bond ratings.

Non-Spendable reserve for revolving cash fund. The District maintains a \$30,000 revolving cash fund for expediting emergency and small purchase reimbursement to employees. In 2010-11, the District expanded the Purchasing Card program to streamline purchases and provide an alternative to petty cash. The cash fund to cover the card purchases was increased to \$150,000 balance; increasing the total reserve for revolving funds to \$180,000.

Non-Spendable reserve for stores inventories. Two departments, purchasing and nutrition services maintain perpetual inventories to expedite and reduce cost through volume purchasing. The total valuation as of June 30, 2011 was \$25,242.

General Fund Budgetary Highlights

During the year, the Board revised the District's budget. Budget amendments were to reflect changes in programs and related funding. The most significant differences may be summarized as follows:

- The difference between the original budget and the actual expenditures was an increase of \$1.2 million or 1.2% in total general fund expenditures -- mainly in Other Outgo for Mental

Health Costs and Capital Outlay.

- During the year, actual revenue received exceeded original budgetary estimates by \$6.1 million, or 6.5%, to account for carryover balances, decreases in property taxes, as well as increases in federal and state revenues and local donations. At the time of the original 2010-11 budget, the District did not anticipate receiving additional one-time Federal Stimulus Funding.
- After adjustments, actual revenues were \$798,000 below final budgeted amounts and expenditures were \$3.7 million below final budgeted amounts. The significant variance in expenditures was a positive \$2.7 million in Books and Supplies expenses. Positive variances indicate the actuals were better than expected.
- Variances primarily result from expenditure-driven federal and state grants that are included in the budgets at their full amounts. Such grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met; unspent grant amounts are carried forward and included in the succeeding year's budget. Therefore, actual grant revenues and expenditures are normally less than the original budget amounts.

Capital Asset and Debt Administration

Capital Assets: The State School Facilities Fund (Fund 35-00) is used to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for providing educational programs for all students within the District. Funds received in 2009-2010, to be expended in 2010-11 were for the Performing Arts Center at San Dieguito Academy.

The Capital Facilities Fund 25-18 consists of school facilities impact fees that assure school facilities and services will be available to meet the needs of residents of new developments. Capital Facilities Fund 25-19 contains fees imposed and collected on new residential and commercial/industrial development within the District to fund additional school facilities required to serve additional grade 7-12 students generated by the new development. The fees are used for construction and/or acquisition of additional school facilities, remodeling existing school facilities to add additional classrooms and technology, and acquiring and installing additional portable classrooms to accommodate an increase in student population. The projects in 2010-2011 included the completion of prior year's ongoing projects: Carmel Valley Middle School Lunch Area, San Dieguito SE Quad Area, Sunset High School Entryway, Torrey Pines High School Energy Efficiency, and District Office Computer Server Room, as well beginning the San Dieguito Performing Arts Center. In addition to the projects, expenditures included equipment purchases: maintenance equipment for maintaining new and renovated facilities, District-wide technology equipment and transportation equipment needed for the maintenance of district buses and vehicles.

Capital assets at June 30, 2010 and 2011 are outlined below:

	June 30, 2010	June 30, 2010	# Total Change
Land	\$ 54,522,725	\$ 54,522,725	\$ -
Improvement of Sites	20,879,488	21,156,042	\$ 276,554
Buildings	156,069,500	156,571,616	\$ 502,116
Equipment	11,950,103	12,255,125	\$ 305,022
Work in Progress	7,248,744	20,823,917	\$ 13,575,173
Accumulated depreciation	(57,134,546)	(64,811,712)	\$ (7,677,166)
Total Capital Assets	<u>\$ 193,536,014</u>	<u>\$ 200,517,713</u>	<u>\$ 6,981,699</u>

Debt Administration: The District has no general obligation bonds outstanding; however, in August 2006, the District issued through the San Dieguito Public Facilities Authority the 2006 Revenue Refunding Bonds (the “Original Bonds”) to prepay and annul the outstanding 1998 and 2004 Revenue Bonds.

In connection with a conversion of interest on the Original Bonds from an auction rate to a long term rate on May 18, 2008, the Authority completed a remarketing of Series 2006A and 2006B bonds, and a third series of remarketed Original Bonds, 2006C, for the purpose of providing funds, along with other monies available to the Authority, to purchase the outstanding Original Bonds, pursuant to the provisions of the Indenture. The outstanding Original Bonds were required to be tendered in connection with the conversion of interest on the Original Bonds from an auction rate to a long term rate.

The 2006 Bonds have been remarketed in the aggregate principal amount of \$89,130,000, and will mature on August 1, 2041, subject to redemption prior to maturity.

Interest on the bonds is payable semiannually each February 1 and August 1, and bear rates of 4% - 7%.

The 2006 Bonds are insured by a financial guaranty insurance policy by Ambac Assurance Corporation.

The Series 2006A bonds are rated AAA (A underlying) by Standard & Poor’s and Aaa (A3 underlying) by Moody’s. The Series 2006B subordinate bonds are rated AAA (A- underlying). The Series 2006C super subordinate bonds are non-rated. The San Dieguito Public Facilities Authority assumes all debt service responsibility for the revenue bonds consistent with California law. The San Dieguito Union High School District is not obligated for any debt repayment in the event of default.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the San Dieguito Union High School District’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Associate Superintendent of Business Services, San Dieguito Union High School District, 710 Encinitas Blvd., Encinitas, CA 92024.

Basic Financial Statements

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2011

	<u>Governmental Activities</u>
ASSETS	
Cash	\$ 28,529,017
Receivables	4,852,905
Stores	25,243
Prepaid Expenses	525,425
Capital Assets:	
Land	54,522,725
Improvements	21,156,042
Buildings	156,571,616
Equipment	12,255,125
Work in Progress	20,823,917
Less Accumulated Depreciation	(64,811,712)
Total Assets	<u>234,450,303</u>
LIABILITIES	
Accounts Payable	4,294,450
Deferred Revenue	765,798
Long-Term Liabilities:	
Due Within One Year	3,167,549
Due in More Than One Year	101,227,331
Total Liabilities	<u>109,455,128</u>
NET ASSETS	
Invested in Capital Assets, Net of Related Debt	98,927,122
Restricted for:	
Capital Projects	4,085,935
Debt Service	6,969,506
Educational Programs	15,012,612
Total Net Assets	<u>\$ 124,995,175</u>

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

ITEM 17

Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
					Governmental Activities
Governmental Activities:					
Instruction	\$ 61,639,007	\$ 1,225,658	\$ 8,838,618	\$ 1,876,342	\$ (49,698,389)
Instruction-Related Services:					
Instructional Supervision and Administration	2,110,295	10,177	678,564	-	(1,421,554)
Instructional Library, Media and Technology	1,977,949	-	-	-	(1,977,949)
School Site Administration	8,215,739	127,417	156,988	-	(7,931,334)
Pupil Services:					
Home-to-School Transportation	4,073,950	513,669	512,778	-	(3,047,503)
Food Services	2,908,122	2,352,179	551,751	-	(4,192)
All Other Pupil Services	5,477,621	7,797	915,787	-	(4,554,037)
General Administration:					
Centralized Data Processing	911,016	-	-	-	(911,016)
All Other General Administration	5,713,359	202,377	265,588	-	(5,245,394)
Plant Services	15,683,544	57	1,044	-	(15,682,443)
Ancillary Services	2,072,062	-	-	-	(2,072,062)
Interest on Long-Term Debt	4,892,618	-	-	-	(4,892,618)
Other Outgo	952,941	24,272	323,150	-	(605,519)
Total Expenses	\$ 116,628,223	\$ 4,463,603	\$ 12,244,268	\$ 1,876,342	\$ (98,044,010)
General Revenues:					
Taxes and Subventions:					
Taxes Levied for General Purposes 77,567,636					
Taxes Levied for Other Specific Purposes 6,241,305					
Federal and State Aid Not Restricted to Specific Programs 3,924,967					
Interest and Investment Earnings 385,690					
Interagency Revenues 237,009					
Miscellaneous 4,742,330					
Total General Revenues \$ 93,098,937					
Change in Net Assets (4,945,073)					
Net Assets Beginning 129,940,248					
Net Assets Ending \$ 124,995,175					

*This amount excludes depreciation that is included in the direct expenses of various programs.

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS

JUNE 30, 2011

	General Fund	Capital Projects Fund For Blended Component Units	Other Governmental Funds	Total Governmental Funds
ASSETS:				
Cash in County Treasury	\$ 16,147,365	\$ -	\$ 4,593,170	\$ 20,740,535
Cash on Hand and in Banks	-	4,558,053	46,988	4,605,041
Cash in Revolving Fund	181,451	-	-	181,451
Cash with a Fiscal Agent/Trustee	-	2,575,520	-	2,575,520
Accounts Receivable	4,029,735	195,864	620,658	4,846,257
Due from Other Funds	240,344	-	20,082	260,426
Stores Inventories	817	-	24,426	25,243
Prepaid Expenditures	5,192	-	-	5,192
Total Assets	\$ 20,604,904	\$ 7,329,437	\$ 5,305,324	\$ 33,239,665
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Accounts Payable	\$ 2,126,022	\$ 359,931	\$ 144,154	\$ 2,630,107
Due to Other Funds	3,525	-	244,009	247,534
Deferred Revenue	737,429	-	28,369	765,798
Total Liabilities	2,866,976	359,931	416,532	3,643,439
Fund Balance:				
Nonspendable Fund Balances:				
Revolving Cash	181,451	-	-	181,451
Stores Inventories	817	-	24,426	25,243
Prepaid Items	5,192	-	-	5,192
Restricted Fund Balances	631,566	-	2,755,649	3,387,215
Committed Fund Balances:				
Committed for Deferred Maintenance	-	-	18,034	18,034
Assigned Fund Balances	12,191,995	6,969,506	2,090,683	21,252,184
Unassigned:				
Reserve for Economic Uncertainty	4,503,378	-	-	4,503,378
Other Unassigned	223,529	-	-	223,529
Total Fund Balance	17,737,928	6,969,506	4,888,792	29,596,226
Total Liabilities and Fund Balances	\$ 20,604,904	\$ 7,329,437	\$ 5,305,324	\$ 33,239,665

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2011

Total fund balances - governmental funds balance sheet		\$ 29,596,226
<p>Amounts reported for assets and liabilities for governmental activities in the statement of net assets are different from amounts reported in governmental funds because:</p>		
<p>Capital assets: In governmental funds, only current assets are reported. In the statement of net assets, all assets are reported, including capital assets and accumulated depreciation.</p>		
Capital assets relating to governmental activities, at historical cost:	265,329,425	
Accumulated depreciation:	<u>(64,811,712)</u>	
	Net:	200,517,713
<p>Unamortized costs: In governmental funds, debt issue costs are recognized as expenditures in the period they are incurred. In the government-wide statements, debt issue costs are amortized over the life of the debt. Unamortized debt issue costs included in prepaid expense on the statement of net assets are:</p>		
		520,233
<p>Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred. The additional liability for unamatured interest owing at the end of the period was:</p>		
		(1,664,343)
<p>Long-term liabilities: In governmental funds, only current liabilities are reported. In the statement of net assets, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:</p>		
	State school building loans payable	3,000,000
	Compensated absences payable	1,087,549
	Lease revenue bonds payable	12,605,067
	Other general long-term debt	<u>83,438,198</u>
	Total:	(100,130,814)
<p>Internal service funds: Internal service funds are used to conduct certain activities for which costs are charged to other funds on a full cost-recovery basis. Because internal service funds are presumed to operate for the benefit of governmental activities, assets and liabilities of internal service funds are reported with governmental activities in the statement of net assets. Net assets for internal service funds are:</p>		
		<u>(3,843,840)</u>
Net assets of governmental activities - Statement of Net Assets		<u>\$ 124,995,175</u>

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	General Fund	Capital Projects Fund For Blended Component Units	Other Governmental Funds	Total Governmental Funds
Revenues:				
Revenue Limit Sources:				
State Apportionments	\$ (22,844)	\$ -	\$ -	\$ (22,844)
Local Sources	77,547,264	-	-	77,547,264
Federal Revenue	6,387,085	-	719,129	7,106,214
Other State Revenue	5,146,872	-	1,875,765	7,022,637
Other Local Revenue	9,290,931	6,271,148	4,467,800	20,029,879
Total Revenues	<u>98,349,308</u>	<u>6,271,148</u>	<u>7,062,694</u>	<u>111,683,150</u>
Expenditures:				
Instruction	58,599,593	-	540,827	59,140,420
Instruction - Related Services	11,879,099	-	422,295	12,301,394
Pupil Services	9,281,635	-	2,872,116	12,153,751
Ancillary Services	2,064,691	-	-	2,064,691
General Administration	5,436,047	-	182,196	5,618,243
Plant Services	9,844,861	8,182,384	7,378,956	25,406,201
Other Outgo	875,918	-	-	875,918
Debt Service:				
Principal	765,588	-	1,710,000	2,475,588
Interest	819,623	-	4,028,624	4,848,247
Total Expenditures	<u>99,866,478</u>	<u>8,182,384</u>	<u>17,135,014</u>	<u>125,183,876</u>
DOES NOT FOOT BY THIS AMOUNT-->	(299,423)	-	-	(299,423)
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,517,170)</u>	<u>(1,911,236)</u>	<u>(10,072,320)</u>	<u>(13,500,726)</u>
Other Financing Sources (Uses):				
Transfers In	525,773	-	5,927,207	6,452,980
Transfers Out	(208,584)	(5,738,624)	(67,200)	(6,014,408)
Other Sources	-	765,588	-	765,588
Total Other Financing Sources (Uses)	<u>317,189</u>	<u>(4,973,036)</u>	<u>5,860,007</u>	<u>1,204,160</u>
Net Change in Fund Balance	(1,199,981)	(6,884,272)	(4,212,313)	(12,296,566)
Fund Balance, July 1	18,937,909	13,853,778	9,101,105	41,892,792
Fund Balance, June 30	<u>\$ 17,737,928</u>	<u>\$ 6,969,506</u>	<u>\$ 4,888,792</u>	<u>\$ 29,596,226</u>

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

Net change in fund balances - total governmental funds \$ (12,296,566)

Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:

Capital outlay: In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:

Expenditures for capital outlay:	14,658,865	
Depreciation expense:	(7,677,166)	
Net:		6,981,699

Debt service: In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were: 2,475,588

Debt proceeds: In governmental funds, proceeds from debt are recognized as Other Financing Sources. In the government-wide statements, proceeds from debt are reported as increases to liabilities. Amounts recognized in governmental funds as proceeds from debt, net of issue premium or discount, were: (765,588)

Debt issue costs: In governmental funds, debt issue costs are recognized as expenditures in the period they are incurred. In the government-wide statements, issue costs are amortized over the life of the debt. The difference between debt issue costs recognized in the current period and issue costs amortized for the period is: 222,400

Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period, was: 28,500

Compensated absences: In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amounts earned. The difference between compensated absences paid and compensated absences earned was: 46,065

Amortization of debt issue premium or discount: In governmental funds, if debt is issued at a premium or at a discount, the premium or discount is recognized as an Other Financing Source or an Other Financing Use in the period it is incurred. In the government-wide statements, the premium or discount is amortized as interest over the life of the debt. Amortization of premium or discount for the period is: (72,871)

Internal Service Funds: Internal service funds are used to conduct certain activities for which costs are charged to other funds on a full cost-recovery basis. Because internal service funds are presumed to benefit governmental activities, internal service activities are reported as governmental in the statement of activities. The net increase or decrease in internal service funds was: (1,564,300)

Change in net assets of governmental activities - Statement of Activities \$ (4,945,073)

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
STATEMENT OF NET ASSETS
INTERNAL SERVICE FUND
JUNE 30, 2011

	Nonmajor Internal Service Fund	Self-Insurance Fund
ASSETS:		
Current Assets:		
Cash in County Treasury	\$ 426,470	
Accounts Receivable	6,648	
Total Current Assets	<u>433,118</u>	
Total Assets	<u>\$ 433,118</u>	
LIABILITIES:		
Current Liabilities:		
Due to Other Funds	\$ 12,891	
Total Current Liabilities	<u>12,891</u>	
Noncurrent Liabilities:		
Other Postemployment Benefits	4,264,066	
Total Noncurrent Liabilities	<u>4,264,066</u>	
Total Liabilities	<u>4,276,957</u>	
NET ASSETS:		
Unrestricted Net Assets	(3,843,839)	
Total Net Assets	<u>\$ (3,843,839)</u>	

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET ASSETS - INTERNAL SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2011

	Nonmajor Internal Service Fund
	Self-Insurance Fund
Operating Revenues:	
Local Revenue	\$ 778,873
Total Revenues	<u>778,873</u>
Operating Expenses:	
Services and Other Operating Expenses	1,904,600
Total Expenses	<u>1,904,600</u>
Operating Income (Loss)	<u>(1,125,727)</u>
Income (Loss) before Contributions and Transfers	(1,125,727)
Interfund Transfers In	20,000
Interfund Transfers Out	(458,573)
Change in Net Assets	<u>(1,564,300)</u>
Total Net Assets - Beginning	(2,279,539)
Total Net Assets - Ending	<u>\$ (3,843,839)</u>

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	Nonmajor Internal Service Fund
	Self-Insurance Fund
Cash Flows from Operating Activities:	
Cash Received from Customers	795,077
Cash Payments to Other Suppliers for Goods and Services	(1,184,470)
Net Cash Provided (Used) by Operating Activities	<u>(389,393)</u>
Cash Flows from Investing Activities:	
Interest and Dividends on Investments	4,816
Net Cash Provided (Used) for Investing Activities	<u>4,816</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(384,577)
Cash and Cash Equivalents at Beginning of Year	811,047
Cash and Cash Equivalents at End of Year	<u>426,470</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income (Loss)	(1,564,300)
Change in Assets and Liabilities:	
Decrease (Increase) in Receivables	(5,103)
Increase (Decrease) in Accounts Payable	(50,000)
Increase (Decrease) in Due To Other Funds	12,892
Increase (Decrease) in Net OPEB Obligation	1,221,934
Total Adjustments	<u>1,179,723</u>
Net Cash Provided (Used) by Operating Activities	<u>(384,577)</u>

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
 STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 JUNE 30, 2011

	Agency Fund
	Student Body Fund
ASSETS:	
Cash on Hand and in Banks	\$ 1,380,195
Total Assets	<u>\$ 1,380,195</u>
LIABILITIES:	
Due to Student Groups	\$ 1,380,195
Total Liabilities	<u>1,380,195</u>
NET ASSETS:	
Total Net Assets	<u><u>\$ -</u></u>

The accompanying notes are an integral part of this statement.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

A. Summary of Significant Accounting Policies

San Dieguito Union High School District (District) accounts for its financial transactions in accordance with the policies and procedures of the Department of Education's "California School Accounting Manual". The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

1. Reporting Entity

The District's combined financial statements include the accounts of all its operations. The District evaluated whether any other entity should be included in these financial statements. The criteria for including organizations as component units within the District's reporting entity, as set forth in GASB Statement No. 14, "The Financial Reporting Entity," include whether:

- the organization is legally separate (can sue and be sued in its name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is fiscal dependency by the organization on the District

The District also evaluated each legally separate, tax-exempt organization whose resources are used principally to provide support to the District to determine if its omission from the reporting entity would result in financial statements which are misleading or incomplete. GASB Statement No. 14 requires inclusion of such an organization as a component unit when: 1) The economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the District, its component units or its constituents; and 2) The District or its component units is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the organization; and 3) Such economic resources are significant to the District.

Based on these criteria, the District has one component unit, the San Dieguito Public Facilities Financing Authority. This component unit is shown as a blended component unit in the accompanying financial statements. Additionally, the District is not a component unit of any other reporting entity as defined by the GASB Statement.

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Statements: The statement of net assets and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The District reports the following major governmental funds:

General Fund. This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

Capital Projects Fund for Blended Component Units. This fund accounts for the activities of the District's Public Facilities Financing Authority and is used to provide resources for capital outlay projects.

County School Facilities Fund. This fund is used to account for apportionments received from the State School Facilities Fund authorized by the State Allocation Board for new school facility construction, modernization projects, and facility hardship grants.

In addition, the District reports the following fund types:

Special Revenue Funds: These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Capital Projects Funds: These funds account for the acquisition and/or construction of all major governmental general fixed assets.

Debt Service Funds. These funds account for the accumulation of resources for, and the payment of general long-term debt principal, interest, and related costs.

Internal Service Funds: These funds are used to account for revenues and expenses related to services provided to parties inside the District. These funds facilitate distribution of support costs to the users of support services on a cost-reimbursement basis. Because the principal users of the internal services are the District's governmental activities, this fund type is included in the "Governmental Activities" column of the government-wide financial statements.

Agency Funds: These funds are used to report student activity funds and other resources held in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or agent capacity and are therefore not available to support District programs, these funds are not included in the government-wide statements.

b. Measurement Focus, Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District does not consider revenues collected after its year-end to be available in the current period. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

Under GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting," all proprietary funds will continue to follow Financial Accounting Standards Board ("FASB") standards issued on or before November 30, 1989. However, from that date forward, proprietary funds will have the option of either 1) choosing not to apply future FASB standards (including amendments of earlier pronouncements), or 2) continuing to follow new FASB pronouncements unless they conflict with GASB guidance. The District has chosen to apply future FASB standards.

3. Encumbrances

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated as of June 30.

4. Assets, Liabilities, and Equity

a. Deposits and Investments

Cash balances held in banks and in revolving funds are insured to \$250,000 by the Federal Depository Insurance Corporation. All cash held by the financial institutions is fully insured or collateralized. For purposes of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

In accordance with Education Code Section 41001, the District maintains substantially all its cash in the San Diego County Treasury. The county pools these funds with those of other districts in the county and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is deposited quarterly into participating funds, except for the Tax Override Funds, in which interest earned is credited to the general fund. Any investment losses are proportionately shared by all funds in the pool.

The county is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq. The funds maintained by the county are either secured by federal depository insurance or are collateralized.

Information regarding the amount of dollars invested in derivatives with San Diego County Treasury was not available.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

b. Stores Inventories and Prepaid Expenditures

Inventories are recorded using the purchases method in that the cost is recorded as an expenditure at the time individual inventory items are purchased. Inventories are valued at average cost and consist of expendable supplies held for consumption. Reported inventories are equally offset by a fund balance reserve, which indicates that these amounts are not "available for appropriation and expenditure" even though they are a component of net current assets.

The District has the option of reporting an expenditure in governmental funds for prepaid items either when purchased or during the benefiting period. The District has chosen to report the expenditure when incurred.

c. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	30
Buildings	50
Building Improvements	20
Vehicles	5-15
Office Equipment	5-15
Other Equipment	5-15

d. Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as liabilities of the District. The current portion of the liabilities is recognized in the general fund at year end.

Accumulated sick leave benefits are not recognized as liabilities of the District. The District's policy is to record sick leave as an operating expense in the period taken since such benefits do not vest nor is payment probable; however, unused sick leave is added to the creditable service period for calculation of retirement benefits when the employee retires.

e. Deferred Revenue

Deferred revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by the District prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

f. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net assets.

g. Property Taxes

Secured property taxes attach as an enforceable lien on property as of March 1. Taxes are payable in two installments on November 15 and March 15. Unsecured property taxes are payable in one installment on or before August 31. The County of San Diego bills and collects the taxes for the District.

h. Fund Balances - Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance - represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance - represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance - represents amounts that can only be used for a specific purpose because of a formal action by the District's governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance - represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself.

Unassigned Fund Balance - represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

i. Minimum Fund Balance Policy

The District is committed to maintaining a prudent level of financial resources to protect against the need to reduce the service levels because of temporary revenue shortfalls or unpredicted expenses. The District minimum fund balance policy requires a reserve for economic uncertainties, consisting of unassigned amounts equal to 4.5% of general fund operating expenses and other financing uses. This reserve may be increased from time to time in order to address specific anticipated revenue shortfalls.

j. GASB 54 Fund Presentation

Consistent with fund reporting requirements established by GASB Statement No. 54, Fund 17 (Special Reserve Fund for Other Than Capital Outlay) has been combined with the General Fund for purposes of presentation in the audit report.

k. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates. Actual results could differ from those estimates.

B. Compliance and Accountability

1. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures," violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

<u>Violation</u>	<u>Action Taken</u>
None reported	Not applicable

2. Deficit Fund Balance or Fund Net Assets of Individual Funds

Following are funds having deficit fund balances or fund net assets at year end, if any, along with remarks which address such deficits:

<u>Fund Name</u>	<u>Deficit Amount</u>
Self-Insurance Fund	\$ 3,843,839

Remarks

Consistent with the requirements in GASB Statement No. 45 the district has recorded the liability for Other Post Employment Benefits; however, the district has elected not to fund the liability at this time as a result of the volatile economy and state budget.

C. Cash and Investments

1. Cash in County Treasury:

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the San Diego County Treasury as part of the common investment pool (\$21,167,006 as of June 30, 2011). The fair value of the District's portion of this pool as of that date, as provided by the pool sponsor, was \$21,167,006. Assumptions made in determining the fair value of the pooled investment portfolios are available from the County Treasurer.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

2. Cash on Hand, in Banks, and in Revolving Fund

Cash balances on hand and in banks (\$5,985,236 as of June 30, 2011) and in the revolving fund (\$181,451) are insured up to \$250,000 by the Federal Depository Insurance Corporation. All cash held by the financial institution is fully insured or collateralized.

3. Investments:

The District's investments at June 30, 2011 are shown below.

<u>Investment or Investment Type</u>	<u>Fair Value</u>
U S Bank-Money Market	\$ 2,575,520
Total Investments	<u>\$ 2,575,520</u>

4. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The county is restricted by Government Code Section 53635 pursuant to Section 53601 to invest only in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable certificates of deposit, and repurchase or reverse repurchase agreements. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District was not exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name. At year end, the District was not exposed to custodial credit risk.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District was not exposed to interest rate risk.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

5. Investment Accounting Policy

The District is required by GASB Statement No. 31 to disclose its policy for determining which investments, if any, are reported at amortized cost. The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

The District's investments in external investment pools are reported at an amount determined by the fair value per share of the pool's underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

D. Accounts Receivable

Accounts receivable at June 30, 2011 consisted of:

	General Fund	Special Revenue Funds	Capital Projects Funds	Other Funds	Total
Federal Government:					
Federal programs	\$ 613,081	\$ 210,519	-	\$ -	\$ 823,600
State Government:					
Lottery	864,393	-	-	-	864,393
Other state programs	1,968,202	10,823	-	-	1,979,025
Local Sources:					
Property taxes	370,581	-	-	-	370,581
Interest	31,123	1,162	2,243	525	35,053
Other local sources	182,356	29,922	365,991	201,988	780,257
Totals	<u>\$ 4,029,736</u>	<u>\$ 252,426</u>	<u>\$ 368,234</u>	<u>\$ 202,513</u>	<u>\$ 4,852,909</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

E. Capital Assets

Capital asset activity for the year ended June 30, 2011 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 54,522,725	\$ -	\$ -	\$ 54,522,725
Work in progress	7,248,744	13,851,198	276,025	20,823,917
Total capital assets not being depreciated	61,771,469	13,851,198	276,025	75,346,642
Capital assets being depreciated:				
Buildings	156,069,500	502,116	-	156,571,616
Improvements	20,879,488	276,554	-	21,156,042
Equipment	11,950,103	305,022	-	12,255,125
Total capital assets being depreciated	188,899,091	1,083,692	-	189,982,783
Less accumulated depreciation for:				
Buildings	(37,146,409)	(5,903,988)	-	(43,050,397)
Improvements	(11,881,513)	(854,867)	-	(12,736,380)
Equipment	(8,106,624)	(918,311)	-	(9,024,935)
Total accumulated depreciation	(57,134,546)	(7,677,166)	-	(64,811,712)
Total capital assets being depreciated, net	131,764,545	(6,593,474)	-	125,171,071
Governmental activities capital assets, net	\$ 193,536,014	\$ 7,257,724	\$ 276,025	\$ 200,517,713

Depreciation was charged to functions as follows:

Instruction	\$ 2,511,751
Instruction-Related Services	30,482
Pupil Services	372,801
Ancillary Services	7,371
General Administration	85,431
Plant Services	4,669,330
	\$ 7,677,166

F. Interfund Balances and Activities

1. Due To and From Other Funds

Balances due to and due from other funds at June 30, 2011 consisted of the following:

Due To Fund	Due From Fund	Amount
Cafeteria Fund	General Fund	\$ 2
Pupil Transportation Fund	General Fund	3,523
General Fund	Adult Education Fund	99,306
General Fund	Cafeteria Fund	128,121
General Fund	Self-Insurance Fund	12,892
General Fund	Capital Facilities Fund	25
Special Reserve Fund	Capital Facilities Fund	16,557
	Total	\$ 260,426

All amounts due are scheduled to be repaid within one year.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

2. Transfers To and From Other Funds

Transfers to and from other funds at June 30, 2011 consisted of the following:

Transfers From	Transfers To	Amount
Pupil Transportation Fund	General Fund	\$ 67,200
Self-Insurance Fund	General Fund	458,573
General Fund	Adult Education Fund	135,076
General Fund	Pupil Transportation Fund	53,507
General Fund	Self-Insurance Fund	20,000
Capital Projects Fund	Debt Service Fund	5,738,624
	Total	\$ 6,472,980

G. Accounts Payable

Accounts payable at June 30, 2011 consisted of:

	General Fund	Special Revenue Funds	Capital Projects Funds	Other Funds	Total
Vendor payables	\$ 425,782	\$ 78,958	\$ 10,360	\$ -	\$ 515,100
Payroll and related benefits	1,071,520	49,198	5,671	359,931	1,486,320
Other current liabilities	628,720	-	-	-	628,720
Totals	\$ 2,126,022	\$ 128,156	\$ 16,031	\$ 359,931	\$ 2,630,140

H. Short-Term Debt Activity

The District accounts for short-term debts for maintenance purposes through the General Fund. The proceeds from loans are shown in the financial statements as Other Resources.

On July 1, 2010 the District entered into the San Diego County School Districts 2010 Pooled Tax and Revenue Anticipation Notes (TRANS) in the amount of \$15,145,000 in order to supplement the district's cash flow. The TRANS were repaid on April 29, 2011.

Description	Beginning Balance	Issued	Redeemed	Ending Balance
Tax anticipation notes	\$ -	\$ 15,145,000	\$ 15,145,000	\$ -

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

I. Long-Term Obligations

1. Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended June 30, 2011 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Special tax bonds	\$ 86,560,000	\$ -	\$ 1,710,000	\$ 84,850,000	\$ 1,780,000
Unamortized discount	(1,457,344)	-	(45,542)	(1,411,802)	-
Lease revenue bonds	13,015,000	-	-	13,015,000	-
Unamortized discount	(437,262)	-	(27,329)	(409,933)	-
Net OPEB Obligation	3,042,132	1,221,934	-	4,264,066	-
Compensated absences *	1,133,614	-	46,065	1,087,549	1,087,549
State loan payable	3,000,000	-	-	3,000,000	300,000
Total governmental activities	\$ 104,856,140	\$ 1,221,934	\$ 1,683,194	\$ 104,394,880	\$ 3,167,549

* Other long-term liabilities

The funds typically used to liquidate other long-term liabilities in the past are as follows:

Liability	Activity Type	Fund
Compensated absences	Governmental	General

2. Debt Service Requirements

Debt service requirements on long-term debt, net of unamortized discount and Net OPEB obligation, at June 30, 2011, are as follows:

Year Ending June 30,	Governmental Activities		
	Principal	Interest	Total
2012	\$ 3,167,549	\$ 4,843,445	\$ 8,010,994
2013	2,150,000	4,770,845	6,920,845
2014	2,225,000	4,695,345	6,920,345
2015	2,325,000	4,615,970	6,940,970
2016	2,435,000	4,531,645	6,966,645
2017-2021	13,495,000	21,241,366	34,736,366
2022-2026	27,750,000	18,081,281	45,831,281
2027-2031	18,505,000	9,907,800	28,412,800
2032-2036	20,280,000	4,863,000	25,143,000
2037-2041	9,105,000	1,065,139	10,170,139
2041-2042	515,000	12,875	527,875
Totals	\$ 101,952,549	\$ 78,628,711	\$ 180,581,260

4. Unamortized Discount

Bonds issued in the year ended June 30, 2008 were sold at a discount, meaning that the market rate of interest was higher than the stated rate of interest on the bonds; therefore, they were sold for less than the face value. Generally Accepted Accounting Principles (GAAP) requires that this discount be amortized over the life of the debt. The carrying value reported on the government-wide balance sheet was presented in accordance with GAAP and was the face value of the debt less the unamortized discount. The total discount for the special tax bonds was \$1,548,444. This amount is being amortized over 33 years or the life of the bonds. The total discount for the lease revenue bonds was \$437,262. This amount is being amortized over 16 years or the life of the bonds.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

5. Lease Revenue Bonds-Qualified School Construction Bonds

In May 2010, the District entered into a facility lease agreement with the San Dieguito Public Facilities Authority to execute and deliver Lease Revenue Bonds, Series 2010A (Qualified School Construction Bonds - Direct Subsidy) in the amount of \$13,015,000 with an interest rate of 6.46% for various capital projects and public school improvements. Through the facility lease, the District is obligated to make semi-annual base revenue payments to a principal account beginning April 2011 and continuing through April 2027. An annual base rental deposit to the principal account of \$2,005,030 is due in 2011 with remaining base rental deposits of \$1,606,227 due annually thereafter through April 2027. Interest on the lease revenue bonds is to be paid annually from the principal account beginning May 2011 with the entire principal balance of \$13,015,000 on the bonds due at the maturity date of May 1, 2027.

J. Joint Ventures (Joint Powers Agreements)

The District participates in one joint powers agreement (JPA) entity, the San Diego County Schools Risk Management (SDCSRM). The relationship between the District and the JPA is such that the JPA is not a component unit of the District.

The JPA arranges for and provides for various types of insurances for its member districts as requested. The JPA is governed by a board consisting of a representative from each member district. The board controls the operations of the JPA, including selection of management and approval of operating budgets, independent of any influence by the member districts beyond their representation on the board. Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the JPA.

Combined condensed audited financial information of the District's share of the JPA for the year ended June 30, 2011 is as follows:

Total Assets	\$	4,262,621
Total Liabilities		1,538,516
Total Fund Balance		2,724,105
Total Cash Receipts		1,871,646
Total Cash Disbursements		2,133,053
Net Change in Fund Balance		(261,407)

K. Employee Retirement Systems

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Certificated employees are members of the State Teachers' Retirement System (STRS), and classified employees are members of the Public Employees' Retirement System (PERS).

PERS:

Plan Description

The District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

Funding Policy

Active plan members are required to contribute 7% of their salary and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2010-11 was 10.707% of annual payroll. The contribution requirements of the plan members are established by state statute. The District's contributions to CalPERS for the fiscal year ending June 30, 2011, 2010 and 2009 were \$1,717,631, \$1,642,133 and \$1,663,874, respectively, and equal 100% of the required contributions for each year. The amount contributed by the State on behalf of the District was \$0.

STRS:

Plan Description

The District contributes to the State Teachers' Retirement System (STRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement, disability, and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. STRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from the STRS, 7667 Folsom Boulevard, Sacramento, California 95826.

Funding Policy

Active plan members are required to contribute 8% of their salary and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the STRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2010-11 was 8.25% of annual payroll. The contribution requirements of the plan members are established by state statute. The District's contributions to STRS for the fiscal year ending June 30, 2011, 2010 and 2009 were \$4,427,966, \$4,530,389 and \$4,562,041, respectively, and equal 100% of the required contributions for each year. The amount contributed by the State on behalf of the District was \$2,286,656.

L. Postemployment Benefits Other Than Pension Benefits

Plan Description

The San Dieguito Union School District (District) administers a single-employer healthcare plan (Plan). The plan provides medical benefits to eligible retirees and their eligible dependents to age 65. Eligibility for retiree health benefits requires retirement from the District with at least 10 years of eligible service. The District's contribution for medical coverage is 100% of the cost for retiree only medical coverage up to a maximum based on the highest employee only medical premium in effect in the year of retirement. The retiree is responsible for any cost above the maximum or for cost associated with the election of dependent medical coverage and/or dental coverage. Membership of the plan consists of approximately 986 eligible active employees and 94 eligible retirees.

Contribution Information

The contribution requirements of Plan members and the District are established and amended by the District and the Teachers Association (SDFA) and the local California School Employees Association (CSEA). The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2010-11, the District contributed \$669,805 to the Plan, all of which was used for current premiums.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

Annual OPEB Cost and Net OPEB Obligation

The District's annual other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial accrued liabilities (UAAL) (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost of the year, the amount actually contributed to the plan and changes in the District's net obligation to the Plan:

Annual required contribution	\$ 2,075,766
Interest on net OPEB obligation	20,169
Adjustment to annual required contribution	(204,196)
Annual OPEB cost (expense)	<u>1,891,739</u>
Contribution made	(669,805)
Decrease in net OPEB obligation	<u>1,221,934</u>
Net OPEB obligation, beginning of year	3,042,132
Net OPEB obligation, end of year	<u>\$ 4,264,066</u>

The annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2010-11 was as follows:

Year Ended June 30,	Annual OPEB Cost	Percentage Contributed	Net OPEB Obligation
2011	\$ 1,891,739	35.41%	\$ 4,264,066

Funding Status and Funding Progress

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Since this is the first year of implementation, only the current year is presented.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and the Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2010 actuarial valuation, the actuarial cost method used was Projected Unit Credit with service prorate. Under this method, the Actuarial Accrued Liability is the present value of projected benefits multiplied by the ratio of benefit service as of the valuation date to the projected benefit service at retirement, termination, disability or death. The Normal Cost for a plan year is the expected increase in the Accrued Liability during the plan year. All employees eligible as of the measurement date in accordance with the provisions of the Plan listed in the data provided by the Employer were included in the valuation.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

Medical cost trend rates ranged from an initial rate of 8.5% reduced to a rate of 5.0% after ten years. The UAAL is being amortized at a level dollar method with the remaining amortization period at July 1, 2011 of 27 years. The actuarial value of assets was not determined in this actuarial valuation; however, any assets of the plan to be determined will be on a market basis.

M. Commitments and Contingencies

Litigation

The District is involved in various litigation. In the opinion of management and legal counsel, the disposition of all litigation pending will not have a material effect on the financial statements.

State and Federal Allowances, Awards, and Grants

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursement will not be material.

N. Construction Commitments

As of June 30, 2011 the District had the following commitments with respect to unfinished capital projects:

	<u>Commitment</u>	<u>*Expected Date of Final Completion</u>	<u>Percentage Complete</u>
Construction in Process:			
Solar Project-Canyon Crest/La Costa Canyon (Landscaping/Tech Instructional Component)	\$ 459,659	August 2012	5%
Performing Arts Center-San Dieguito High School Academy	939,144	August 2011	89%

* Expected date of final completion subject to change

O. Subsequent Events

Tax Revenue Anticipation Notes

In July 2011, the District entered into the County of San Diego and San Diego County School Districts 2011 Pooled Tax and Revenue Anticipation Notes (TRANS) in the amount of \$16,540,000. The notes mature on April 30, 2012 and bear an interest rate of 2.00%. The notes were sold to supplement the District's cash flows.

Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

EXHIBIT B-1

ITEM 17

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Revenue Limit Sources:				
State Apportionments	\$ (41,598)	\$ (38,534)	\$ (22,844)	\$ 15,690
Local Sources	78,536,707	77,586,819	77,547,264	(39,555)
Federal Revenue	3,527,483	7,364,867	6,387,085	(977,782)
Other State Revenue	3,715,419	4,768,553	5,146,872	378,319
Other Local Revenue	7,079,210	9,514,279	9,290,931	(223,348)
Total Revenues	<u>92,817,221</u>	<u>99,195,984</u>	<u>98,349,308</u>	<u>(846,676)</u>
Expenditures:				
Current:				
Certificated Salaries	48,792,033	48,983,897	48,799,613	184,284
Classified Salaries	16,499,106	16,369,328	16,322,369	46,959
Employee Benefits	19,076,599	19,019,900	18,877,001	142,899
Books And Supplies	3,319,462	6,420,335	3,690,892	2,729,443
Services And Other Operating Expenditures	9,567,135	10,144,628	9,571,181	573,447
Other Outgo	67,000	912,615	875,918	36,697
Direct Support/Indirect Costs	(169,540)	(160,728)	(160,728)	-
Capital Outlay	132,366	305,639	305,021	618
Debt Service:				
Principal	770,000	770,000	765,588	4,412
Interest	819,623	819,623	819,623	-
Total Expenditures	<u>98,873,784</u>	<u>103,585,237</u>	<u>99,866,478</u>	<u>3,718,759</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,056,563)</u>	<u>(4,389,253)</u>	<u>(1,517,170)</u>	<u>2,872,083</u>
Other Financing Sources (Uses):				
Transfers In	-	525,773	525,773	-
Transfers Out	(44,600)	(204,677)	(208,584)	(3,907)
Total Other Financing Sources (Uses)	<u>(44,600)</u>	<u>321,096</u>	<u>317,189</u>	<u>(3,907)</u>
Net Change in Fund Balance	<u>(6,101,163)</u>	<u>(4,068,157)</u>	<u>(1,199,981)</u>	<u>2,868,176</u>
Fund Balance, July 1	20,455,538	18,937,909	18,937,909	-
Fund Balance, June 30	<u>\$ 14,354,375</u>	<u>\$ 14,869,752</u>	<u>\$ 17,737,928</u>	<u>\$ 2,868,176</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS
 YEAR ENDED JUNE 30, 2011

ITEM 17

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/09	\$ -	\$ 13,005,147	\$ 13,005,147	-	\$ 71,991,005	18.1%
6/30/10	-	13,005,147	13,005,147	-	70,000,947	18.6%
6/30/11	-	15,210,567	15,210,567	-	67,192,132	22.6%

Combining Statements and Budget Comparisons as Supplementary Information

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	Special Revenue Funds	Debt Service Fund Blended Component Unit	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-3)
ASSETS:				
Cash in County Treasury	\$ 909,137	\$ -	\$ 3,684,033	\$ 4,593,170
Cash on Hand and in Banks	46,988	-	-	46,988
Accounts Receivable	252,424	-	368,234	620,658
Due from Other Funds	3,525	-	16,557	20,082
Stores Inventories	24,426	-	-	24,426
Total Assets	\$ 1,236,500	\$ -	\$ 4,068,824	\$ 5,305,324
LIABILITIES AND FUND BALANCE:				
Liabilities:				
Accounts Payable	\$ 128,139	\$ -	\$ 16,015	\$ 144,154
Due to Other Funds	227,427	-	16,582	244,009
Deferred Revenue	28,369	-	-	28,369
Total Liabilities	383,935	-	32,597	416,532
Fund Balance:				
Nonspendable Fund Balances:				
Stores Inventories	24,426	-	-	24,426
Restricted Fund Balances	778,431	-	1,977,218	2,755,649
Committed Fund Balances:				
Committed for Deferred Maintenance	18,034	-	-	18,034
Assigned Fund Balances	31,674	-	2,059,009	2,090,683
Total Fund Balance	852,565	-	4,036,227	4,888,792
Total Liabilities and Fund Balances	\$ 1,236,500	\$ -	\$ 4,068,824	\$ 5,305,324

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2011

	Special Revenue Funds	Debt Service Fund Blended Component Unit	Capital Projects Funds	Total Nonmajor Governmental Funds (See Exhibit A-5)
Revenues:				
Federal Revenue	\$ 719,129	\$ -	\$ -	\$ 719,129
Other State Revenue	40,128	-	1,835,637	1,875,765
Other Local Revenue	3,121,634	-	1,346,166	4,467,800
Total Revenues	<u>3,880,891</u>	<u>-</u>	<u>3,181,803</u>	<u>7,062,694</u>
Expenditures:				
Instruction	540,827	-	-	540,827
Instruction - Related Services	422,295	-	-	422,295
Pupil Services	2,872,116	-	-	2,872,116
General Administration	160,728	-	21,468	182,196
Plant Services	83,093	-	7,295,863	7,378,956
Debt Service:				
Principal	-	1,710,000	-	1,710,000
Interest	-	4,028,624	-	4,028,624
Total Expenditures	<u>4,079,059</u>	<u>5,738,624</u>	<u>7,317,331</u>	<u>17,135,014</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(198,168)</u>	<u>(5,738,624)</u>	<u>(4,135,528)</u>	<u>(10,072,320)</u>
Other Financing Sources (Uses):				
Transfers In	188,583	5,738,624	-	5,927,207
Transfers Out	(67,200)	-	-	(67,200)
Total Other Financing Sources (Uses)	<u>121,383</u>	<u>5,738,624</u>	<u>-</u>	<u>5,860,007</u>
Net Change in Fund Balance	<u>(76,785)</u>	<u>-</u>	<u>(4,135,528)</u>	<u>(4,212,313)</u>
Fund Balance, July 1	929,350	-	8,171,755	9,101,105
Fund Balance, June 30	<u>\$ 852,565</u>	<u>\$ -</u>	<u>\$ 4,036,227</u>	<u>\$ 4,888,792</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

ITEM 17

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2011

	Adult Education Fund	Cafeteria Fund
ASSETS:		
Cash in County Treasury	\$ 12,430	\$ 850,550
Cash on Hand and in Banks	25,358	21,630
Accounts Receivable	125,070	127,326
Due from Other Funds	-	2
Stores Inventories	-	24,426
Total Assets	<u><u>\$ 162,858</u></u>	<u><u>\$ 1,023,934</u></u>
LIABILITIES AND FUND BALANCE:		
Liabilities:		
Accounts Payable	\$ 35,183	\$ 92,956
Due to Other Funds	99,306	128,121
Deferred Revenue	28,369	-
Total Liabilities	<u><u>162,858</u></u>	<u><u>221,077</u></u>
Fund Balance:		
Nonspendable Fund Balances:		
Stores Inventories	-	24,426
Restricted Fund Balances	-	778,431
Committed Fund Balances:		
Committed for Deferred Maintenance	-	-
Assigned Fund Balances	-	-
Total Fund Balance	<u><u>-</u></u>	<u><u>802,857</u></u>
Total Liabilities and Fund Balances	<u><u>\$ 162,858</u></u>	<u><u>\$ 1,023,934</u></u>

EXHIBIT C-3

ITEM 17

Deferred Maintenance Fund	Public Transportation Equipment	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
\$ 18,010	\$ 28,147	\$ 909,137
-	-	46,988
24	4	252,424
-	3,523	3,525
-	-	24,426
<u>\$ 18,034</u>	<u>\$ 31,674</u>	<u>\$ 1,236,500</u>
\$ -	\$ -	\$ 128,139
-	-	227,427
-	-	28,369
<u>-</u>	<u>-</u>	<u>383,935</u>
-	-	24,426
-	-	778,431
18,034	-	18,034
-	31,674	31,674
<u>18,034</u>	<u>31,674</u>	<u>852,565</u>
<u>\$ 18,034</u>	<u>\$ 31,674</u>	<u>\$ 1,236,500</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

ITEM 17

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

	Adult Education Fund	Cafeteria Fund
Revenues:		
Federal Revenue	\$ 269,465	\$ 449,664
Other State Revenue	-	40,128
Other Local Revenue	578,234	2,543,072
Total Revenues	<u>847,699</u>	<u>3,032,864</u>
Expenditures:		
Instruction	540,827	-
Instruction - Related Services	422,295	-
Pupil Services	-	2,872,116
General Administration	33,206	127,522
Plant Services	-	-
Total Expenditures	<u>996,328</u>	<u>2,999,638</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(148,629)</u>	<u>33,226</u>
Other Financing Sources (Uses):		
Transfers In	135,076	-
Transfers Out	-	-
Total Other Financing Sources (Uses)	<u>135,076</u>	<u>-</u>
Net Change in Fund Balance	(13,553)	33,226
Fund Balance, July 1	13,553	769,631
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 802,857</u>

EXHIBIT C-4

ITEM 17

Deferred Maintenance Fund	Public Transportation Equipment	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
\$ -	\$ -	\$ 719,129
-	-	40,128
215	113	3,121,634
<u>215</u>	<u>113</u>	<u>3,880,891</u>
-	-	540,827
-	-	422,295
-	-	2,872,116
-	-	160,728
83,093	-	83,093
<u>83,093</u>	<u>-</u>	<u>4,079,059</u>
(82,878)	113	(198,168)
-	53,507	188,583
-	(67,200)	(67,200)
-	(13,693)	121,383
(82,878)	(13,580)	(76,785)
100,912	45,254	929,350
<u>\$ 18,034</u>	<u>\$ 31,674</u>	<u>\$ 852,565</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

ITEM 17

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2011

	Building Fund	Capital Facilities Fund
ASSETS:		
Cash in County Treasury	\$ 230,382	\$ 1,471,452
Accounts Receivable	317	362,874
Due from Other Funds	-	-
Total Assets	<u>\$ 230,699</u>	<u>\$ 1,834,326</u>
 LIABILITIES AND FUND BALANCE:		
Liabilities:		
Accounts Payable	\$ -	\$ 16,015
Due to Other Funds	-	16,582
Total Liabilities	<u>-</u>	<u>32,597</u>
 Fund Balance:		
Nonspendable Fund Balances:		
Restricted Fund Balances	-	-
Assigned Fund Balances	230,699	1,801,729
Total Fund Balance	<u>230,699</u>	<u>1,801,729</u>
 Total Liabilities and Fund Balances	<u>\$ 230,699</u>	<u>\$ 1,834,326</u>

EXHIBIT C-5

ITEM 17

County School Facilities Fund	Special Reserve for Capital Outlay Fund	Total Nonmajor Capital Projects Funds (See Exhibit C-1)
\$ 1,972,197	\$ 10,002	\$ 3,684,033
5,021	22	368,234
-	16,557	16,557
<u>\$ 1,977,218</u>	<u>\$ 26,581</u>	<u>\$ 4,068,824</u>
\$ -	\$ -	\$ 16,015
-	-	16,582
<u>-</u>	<u>-</u>	<u>32,597</u>
1,977,218	-	1,977,218
-	26,581	2,059,009
<u>1,977,218</u>	<u>26,581</u>	<u>4,036,227</u>
<u>\$ 1,977,218</u>	<u>\$ 26,581</u>	<u>\$ 4,068,824</u>

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2011

ITEM 17

	<u>Building Fund</u>	<u>Capital Facilities Fund</u>
Revenues:		
Other State Revenue	\$ -	\$ -
Other Local Revenue	83,147	846,448
Total Revenues	<u>83,147</u>	<u>846,448</u>
Expenditures:		
General Administration	-	21,468
Plant Services	3,260	1,015,655
Total Expenditures	<u>3,260</u>	<u>1,037,123</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>79,887</u>	<u>(190,675)</u>
Net Change in Fund Balance	79,887	(190,675)
Fund Balance, July 1	150,812	1,992,404
Fund Balance, June 30	<u>\$ 230,699</u>	<u>\$ 1,801,729</u>

EXHIBIT C-6

ITEM 17

County School Facilities Fund	Special Reserve for Capital Outlay Fund	Total Nonmajor Capital Projects Funds (See Exhibit C-2)
\$ 1,835,637	\$ -	\$ 1,835,637
40,706	375,865	1,346,166
<u>1,876,343</u>	<u>375,865</u>	<u>3,181,803</u>
-	-	21,468
5,901,948	375,000	7,295,863
<u>5,901,948</u>	<u>375,000</u>	<u>7,317,331</u>
(4,025,605)	865	(4,135,528)
(4,025,605)	865	(4,135,528)
6,002,823	25,716	8,171,755
<u>\$ 1,977,218</u>	<u>\$ 26,581</u>	<u>\$ 4,036,227</u>

Other Supplementary Information

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.

Supplementary Information Section

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
LOCAL EDUCATION AGENCY
ORGANIZATION STRUCTURE
JUNE 30, 2011

The San Dieguito Union School District was established in 1936 and is comprised of an area of approximately 81 square miles in San Diego County. There were no changes in the boundaries of the district during the current fiscal year. The district is currently operating four comprehensive middle schools for grades seven through eight, and four comprehensive high schools for grades nine through twelve and one continuation high school. The district also operates an adult education program.

Governing Board

<u>Name</u>	<u>Office</u>	<u>Term and Term Expiration</u>
Beth Hergesheimer	President	Four Year Term Expires December 2012
Joyce Delessandro	Vice President	Four Year Term Expires December 2012
Barbara Groth	Clerk	Four Year Term Expires December 2014
Amy Herman	Trustee	Four Year Term Expires December 2014
John Salazar	Trustee	Four Year Term Expires December 2014

Administration

Ken Noah
Superintendent

Terry King
Associate Superintendent
Human Resources

Richard Schmitt
Associate Superintendent
Education Services

Eric Dill
Associate Superintendent
Business Services

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE
YEAR ENDED JUNE 30, 2011

TABLE D-1

ITEM 17

	Second Period Report		Annual Report	
	Original	Revised	Original	Revised
Elementary:				
Grades 7 and 8	3,670.37	N/A	3,666.73	N/A
Home and hospital	1.42	N/A	2.99	N/A
Special education	82.88	N/A	82.43	N/A
Elementary totals	<u>3,754.67</u>	<u>N/A</u>	<u>3,752.15</u>	<u>N/A</u>
High School:				
Grades 9 through 12, regular classes	7,893.95	N/A	7,827.18	N/A
Home and hospital	11.96	N/A	13.59	N/A
Special education	203.96	N/A	200.61	N/A
Continuation education	124.68	N/A	129.60	N/A
High school totals	<u>8,234.55</u>	<u>N/A</u>	<u>8,170.98</u>	<u>N/A</u>
ADA totals	<u>11,989.22</u>	<u>N/A</u>	<u>11,923.13</u>	<u>N/A</u>

Note: There were no findings which resulted in revisions to the second period or annual reports of attendance.

Average daily attendance is a measurement of the number of pupils attending classes of the district. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to school districts. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
 SCHEDULE OF INSTRUCTIONAL TIME
 YEAR ENDED JUNE 30, 2011

TABLE D-2
 ITEM 17

Grade Level	1982-83 Actual Minutes	1982-83 Adjusted & Reduced	1986-87 Minutes Requirement	1986-87 Adjusted & Reduced	2010-11 Actual Minutes	Number of Days Traditional Calendar	Number of Days Multitrack Calendar	Status
Grade 7	50,327	48,929	54,000	52,500	63,255	180	-	Complied
Grade 8	50,327	48,929	54,000	52,500	63,255	180	-	Complied
Grade 9	64,800	63,000	64,800	63,000	65,070	180	-	Complied
Grade 10	64,800	63,000	64,800	63,000	65,070	180	-	Complied
Grade 11	64,800	63,000	64,800	63,000	65,070	180	-	Complied
Grade 12	64,800	63,000	64,800	63,000	65,070	180	-	Complied

Districts, including basic aid districts, must maintain their instructional minutes at either the 1982-83 actual minutes or the 1986-87 requirements, whichever is greater, as required by Education Code Section 46201. This schedule is required of all districts, including basic aid districts.

The district has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. This schedule presents information on the amount of instruction time offered by the district and whether the district complied with the provisions of Education Code Sections 46200 through 46206.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
 SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
 YEAR ENDED JUNE 30, 2011

TABLE D-3

ITEM 17

General Fund	Budget 2012 (See Note 1)	2011 (See Note 2)	2010	2009
Revenues and other financial sources	\$ 94,673,849	\$ 98,859,076	\$ 98,671,061	\$ 108,058,550
Expenditures, other uses and transfers out	99,234,201	100,075,061	100,866,131	101,812,386
Change in fund balance (deficit)	(4,560,352)	(1,215,985)	(2,195,070)	6,246,164
Ending fund balance	\$ 10,750,834	\$ 15,311,186	\$ 16,527,171	\$ 18,722,241
Available reserves	\$ 9,936,902	\$ 14,492,160	\$ 16,476,034	\$ 18,688,357
Available reserves as a percentage of total outgo	10.0%	14.5%	16.3%	18.4%
Total long-term debt	\$ 101,227,331	\$ 104,394,880	\$ 104,856,140	\$ 88,979,555
Average daily attendance at P-2	11,957	11,964	12,150	12,368

This schedule discloses the district's financial trends by displaying past years' data along with current year budget information. These financial trend disclosures are used to evaluate the district's ability to continue as a going concern for a reasonable period of time.

The general fund fund balance has increased by \$2,835,109 (22.72%) over the past three years. The fiscal year 2011-2012 budget projects a decrease of \$4,560,352 (29.78%). For a district of this size, the State recommends available reserves of at least 3% of total general fund expenditures, transfers out and other uses (total outgo). ABX4 2 reduced the reserve requirement to 1% for the year 2010-2011.

Total long-term debt has increased by \$15,696,408 over the past three years.

Average daily attendance has decreased by 355 over the past three years.

NOTES:

- Budget 2012 is included for analytical purposes only and has not been subjected to audit.
- GASB Statement No. 54 requires the inclusion of the Special Reserve Fund for Other Than Capital Outlay (Fund 17) with the General Fund for reporting purposes only. This schedule has been prepared without the inclusion of Fund 17.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET
REPORT WITH AUDITED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2011

TABLE D-4

ITEM 17

	General Fund	Special Reserve Fund for Other Than Capital Outlay (Fund 17)
June 30, 2011, annual financial and budget report fund balances	\$ 15,311,186	\$ 2,426,742
Adjustments and reclassifications:		
Increasing (decreasing) the fund balance:		
Inclusion for reporting purposes under GASB 54	2,426,742	(2,426,742)
Net adjustments and reclassifications	2,426,742	(2,426,742)
June 30, 2011, audited financial statement fund balances	\$ 17,737,928	\$ -

This schedule provides the information necessary to reconcile the fund balances of all funds and the total liabilities balance of the general long-term debt account group as reported on the SACS report to the audited financial statements. Funds that required no adjustment are not presented.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOLS
YEAR ENDED JUNE 30, 2011

TABLE D-5

ITEM 17

No charter schools are chartered by San Dieguito Union High School District.

<u>Charter Schools</u>	<u>Included In Audit?</u>
None	N/A

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<u>U. S. DEPARTMENT OF TREASURY</u>			
Direct Program:			
QZAB Interest Subsidy	21.XXX	-	\$ 718,233
Total U. S. Department of Treasury			<u>718,233</u>
<u>U. S. DEPARTMENT OF HOMELAND SECURITY</u>			
Direct Program:			
Citizenship Education and Training	97.010	-	69,699
Total U. S. Department of Homeland Security			<u>69,699</u>
<u>U. S. DEPARTMENT OF EDUCATION</u>			
Passed Through State Department of Education:			
Adult Education	84.002	14109	199,765
Title I Part A *	84.010	14109	516,772
Special Education *	84.027	14329	1,898,622
Vocational Education	84.048	13924	96,067
Workability	84.158	10006	95,155
Title V Innovative Education	84.298	14363	126
Title II Technology *	84.318	14334	1,856
Advanced Placement Testing	84.330	14363	5,918
Title III Limited English Proficiency	84.365	10084	75,691
Title III Immigrant Education	84.365	14346	61,986
Title II Teacher Quality	84.367	14341	236,740
Title II Principal Training	84.367	14036	1,962
ARRA Title II Technology *	84.386	15019	9,969
ARRA Title I Part A *	84.389	15005	111,231
ARRA Special Education *	84.391	15003	112,898
ARRA State Fiscal Stabilization *	84.394	24997	643,684
ARRA Education Jobs Fund	84.410	25152	1,800,174
Total Passed Through State Department of Education			<u>5,868,616</u>
Total U. S. Department of Education			<u>5,868,616</u>
<u>U. S. DEPARTMENT OF AGRICULTURE</u>			
Passed Through State Department of Education:			
National School Lunch Program *	10.555	13396	449,665
Total U. S. Department of Agriculture			<u>449,665</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 7,106,213</u>

* Indicates clustered program under OMB Circular A-133 Compliance Supplement

The accompanying notes are an integral part of this schedule.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2011

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of San Dieguito Union High School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

2. Subrecipients

Of the federal expenditures presented in the schedule, San Dieguito Union High School District provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided to Subrecipients</u>
Title II Teacher Quality	84.367	\$ 16,776

Other Independent Auditor's Reports

WILKINSON HADLEY KING & CO. LLP

CPA's and Advisors
218 W Douglas Ave.
El Cajon, CA 92020

Independent Auditor's Report

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Trustees
San Dieguito Union High School District
Encinitas, California

Members of the Board of Trustees:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of San Dieguito Union High School District as of and for the year ended June 30, 2011, which collectively comprise the San Dieguito Union High School District's basic financial statements and have issued our report thereon dated December 2, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered San Dieguito Union High School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the San Dieguito Union High School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the San Dieguito Union High School District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs as item(s) 2011-1 and 2011-2, that we consider to be significant deficiencies in internal control over financial reporting. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether San Dieguito Union High School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of San Dieguito Union High School District in a separate letter dated December 2, 2011.

San Dieguito Union High School District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit San Dieguito Union High School District's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, others within the entity, the Board of Trustees, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Wilkinson Hadley King + Co LLP

El Cajon, California
December 2, 2011

WILKINSON HADLEY KING & CO. LLP

CPA's and Advisors
218 W Douglas Ave.
El Cajon, CA 92020

Independent Auditor's Report

Report on Compliance with Requirements That Could Have a Direct and Material Effect on each Major Program and on Internal Control Over Compliance In Accordance With OMB Circular A-133

Board of Trustees
San Dieguito Union High School District
Encinitas, California

Members of the Board of Trustees:

Compliance

We have audited San Dieguito Union High School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of San Dieguito Union High School District's major federal programs for the year ended June 30, 2011. San Dieguito Union High School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of San Dieguito Union High School District's management. Our responsibility is to express an opinion on San Dieguito Union High School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about San Dieguito Union High School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of San Dieguito Union High School District's compliance with those requirements.

In our opinion, San Dieguito Union High School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 2011-3.

Internal Control Over Compliance

Management of San Dieguito Union High School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered San Dieguito Union High School District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of San Dieguito Union High School District's internal control over compliance.

ITEM 17

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses, as defined above.

San Dieguito Union High School District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit San Dieguito Union High School District's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, others within the entity, the Board of Trustees, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Wilkinson Hadley King + Co LLP

El Cajon, California
December 2, 2011

WILKINSON HADLEY KING & CO. LLP

CPA's and Advisors
218 W Douglas Ave.
El Cajon, CA 92020

Independent Auditor's Report

Report on State Compliance

Board of Trustees
San Dieguito Union High School District
Encinitas, California

Members of the Board of Trustees:

We have audited the basic financial statements of the San Dieguito Union High School District ("District") as of and for the year ended June 30, 2011 and have issued our report thereon dated December 2, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We have also audited the District's compliance with the requirements specified in the State's audit guide, *Standards and Procedures for Audits of California K-12 Local Education Agencies 2010-11*, published by the Education Audit Appeals Panel, applicable to the District's statutory requirements identified below for the year ended June 30, 2011. Compliance with the requirements referred to above is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

The auditing standards referred to above require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the state laws and regulations applicable to the items in the schedule below occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

In connection with the audit referred to above, we selected and tested transactions and records to determine the District's compliance with the state laws and regulations applicable to the following items:

<u>Description</u>	<u>Procedures In Audit Guide</u>	<u>Procedures Performed</u>
Attendance Accounting:		
Attendance Reporting	8	Yes
Kindergarten Continuance	3	Yes
Independent Study	23	No
Continuation Education	10	Yes
Instructional Time:		
School Districts	6	Yes
County Offices of Education	3	N/A
Instructional Materials, General Requirements	8	Yes
Ratios of Administrative Employees to Teachers	1	Yes
Classroom Teacher Salaries	1	Yes
Early Retirement Incentive Program	4	N/A
GANN Limit Calculation	1	Yes
School Accountability Report Card	3	Yes
Public Hearing Requirement - Receipt of Funds	1	Yes

Class Size Reduction Program (Including In Charter Schools):		
General Requirements	7	N/A
Option One Classes	3	N/A
Option Two Classes	4	N/A
Only One School Serving Grades K-3	4	N/A
After School Education and Safety Program:		
General Requirements	4	N/A
After School	4	N/A
Before School	5	N/A
Contemporaneous Records of Attendance, For Charter Schools	1	N/A
Mode of Instruction, For Charter Schools	1	N/A
Nonclassroom-Based Instruction/Independent Study, For Charter Schools	15	N/A
Determination of Funding for Nonclassroom-Based Instruction, For Charter Schools	3	N/A
Annual Instructional Minutes - Classroom Based, For Charter Schools	3	N/A

The term "N/A" is used above to mean either the District did not offer the program during the current fiscal year or the program applies to a different type of local education agency.

We did not perform testing for Independent Study because the ADA claimed for independent study fell below the level which required testing.

In our opinion, San Dieguito Union High School District complied, in all material respects, with the compliance requirements referred to above that are applicable to the statutory requirements listed in the schedule above for the year ended June 30, 2011.

This report is intended solely for the information and use of the Board of Trustees, management, State Controller's Office, Department of Finance, Department of Education, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Wilkinson Hadley King + Co LP

El Cajon, California
December 2, 2011

Findings and Recommendations Section

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

One or more material weaknesses identified? Yes X No

One or more significant deficiencies identified that are
are not considered to be material weaknesses? X Yes No

Noncompliance material to financial
statements noted? Yes X No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified? Yes X No

One or more significant deficiencies identified that
are not considered to be material weaknesses? Yes X No

Type of auditor's report issued on compliance
for major programs: Unqualified

Any audit findings disclosed that are required
to be reported in accordance with section 510(a)
of Circular A-133? X Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.XXX	QZAB Interest Subsidy
84.365	Title III Immigrant
84.365	Title III Limited English Proficiency
84.410	ARRA Education Jobs Fund

Dollar threshold used to distinguish between
type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? X Yes No

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

3. State Awards

Internal control over state programs:

One or more material weaknesses identified?	<u> </u> Yes	<u> X </u> No
One or more significant deficiencies identified that are are not considered to be material weaknesses?	<u> </u> Yes	<u> X </u> None Reported

Type of auditor's report issued on compliance for state programs: Unqualified

B. Financial Statement Findings

Finding 2011-1 (30000)
 Associated Student Body Accounts

Criteria or Specific Requirement

Determine whether internal controls are in place over student body funds that will ensure all student body receipts collected and disbursements paid are documented and that all proper transaction procedures are being followed.

Condition

In our review of receipts and disbursements at Diegueno Middle School and Oak Crest Middle School we noted the following:

- A. Cash transmittal forms are not being completed, signed, and dated by the individual collecting the funds and by the individual subsequently verifying the funds for deposit. In addition, detailed individual receipts processed through the point of sale software system for some deposits was not available and as a result it could not be determined if the deposits were timely or that the deposit was in agreement with amounts collected.
- B. At Digueno Middle School check request forms did not have proper approval signatures and the school was unable to provide supporting documentation for some expenses.

Questioned Costs

None

Recommendation

- A. Require cash transmittal forms to be prepared, signed, and dated by the individual collecting the funds. In addition, list the source, purpose, or description of revenues collected on each cash transmittal. Establish procedures to ensure all individual receipts are processed through the point of sale software system and keep detail reports on file that reconcile to the actual funds collected and deposited.
- B. Require all disbursements to have a proper signed check request containing a minimum of two approval signatures on file. Prohibit any check from being made payable to cash and all expenses must have proper supporting invoice/receipt documentation as validation for all purchases.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

LEA's Response

Proper cash handling and disbursement procedures have been reviewed with all administrators and school staff involved with associated student body accounting.

Specifically, these topics were addressed at a principals' meeting on November 9, 2011; with ASB finance assistants on September 28, 2011 and a follow-up training is scheduled for April 2011. Additional training and support were provided to staff at the aforementioned schools to prevent further occurrences.

Finding 2011-2 (30000)
District Purchase Cards

Criteria or Specific Requirement

Determine whether internal controls are in place over individual District purchase cards that will ensure all purchases are being authorized and approved on a timely basis and that all purchases are documented and validated accordingly.

Condition

In our review of detail documentation for individual purchase cards being utilized for District expenses, we noted that some purchase cards are not being reviewed and approved on a timely basis. Expense reports for the credit card purchases are not being submitted timely in some instances and proper authorization and approval for items expensed is not evident. In addition, individual transactions are not being validated on the expense reports on a consistent basis and supporting invoice documentation is not being reviewed properly in order to determine if disbursements are justified District expenses.

Questioned Costs

None

Recommendation

Establish internal control procedures and an audit trail for all transactions charged on individual purchase cards. Expense reports should be printed, signed, dated, and submitted for review on a timely basis by the cardholder. Subsequently, the expense reports should be reviewed and approved on a timely basis by District management. Individual transactions should be validated and an authorized signature and date should be prevalent on the expense report as documentation approval for all purchases. In addition, proper supporting invoices should be attached to the expense reports for all transactions as documentation for individual purchases charged.

LEA's Response

The purchasing card program was still in its pilot phase during the period in which documentation was reviewed. As such, procedures to ensure effective internal control over purchase card transactions were still under development and testing. The District acknowledges that reviewing and approving purchases did not always occur in a timely fashion at that time, however, those process deficiencies were identified and corrected by District staff prior to the end of the pilot phase and 2010-11 fiscal year. Initial supervisory review and approval is conducted electronically; printed transaction reports along with back up documentation are reviewed and approved on a weekly basis prior to submission to the accounting department for further review and payment. Following the completion of the pilot phase, the District also adopted final administrative regulations governing the proper use, approval, and documentation of purchasing card transactions.

Finally, none of the identified transactions were determined to be improper.

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2011

C. Federal Award Findings and Questioned Costs

Finding 2011-3 (50000)
Time Certification Documentation

Identification of Federal Program
Title III Immigrant Education (84.365)
Title III Limited English Proficiency (84.365)

Criteria or Specific Requirement
Determine if employees charged to the program met the Time-and-effort requirements as outlined by OMB Circular A-87 time certification documentation requirements.

Condition
In our review of time certifications we noted that the district had a procedure in place to obtain time certifications for regular full time positions; however, the district did not have a procedure in place to document time and effort for extra work completed by employees. As a result, the documentation in place did not meet the requirements as established by OMB Circular A-87.

Questioned Costs
The following costs are questioned by federal program:

Title III Immigrant Education	\$30,147
Title III Limited English Proficiency	37,491
Total Questioned Costs	<u><u>\$67,638</u></u>

Recommendation
We recommend the district carefully review the time certification requirements as established under OMB Circular A-87 and implement procedures for appropriate documentation of all employees charged to federal programs.

LEA's Response
The District has a timekeeping software system that documents all regular and hourly work performed by employees and programs to which they are charged. The Extra Work Agreements for federal programs are reviewed and approved by staff who have oversight of the programs. The District will review the requirements of OMB Circular A-87 and adjust our practices as necessary to ensure our efforts aligned with federal procedures.

D. State Award Findings and Questioned Costs

NONE

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2011

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>Management's Explanatio If Not Implemented</u>
<p>Finding 2010-1 San Dieguito Academy Student Body</p> <p>Cash transmittal forms for deposits were not being completed properly.</p> <p>We recommended the district implement procedures to require proper completion of cash transmittal forms for all student body deposits.</p>	Implemented	
<p>Finding 2010-2 Attendance</p> <p>Significant clerical errors in preparation of attendance reports to the state were discovered which resulted in an overstatement in ADA of 11.33 at P2.</p> <p>We recommended the district amend the P2 and implement procedures for careful review of all attendance reports prior to submission to the state.</p>	Implemented	
<p>Finding 2010-3 Continuation Education</p> <p>Students attending tutorial and testing periods were not being counted as present in the attendance system.</p> <p>We recommended the district take positive attendance for all periods students are in attendance.</p>	Implemented	

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: December 16, 2011

BOARD MEETING DATE: January 19, 2012

**PREPARED AND
SUBMITTED BY:** Ken Noah, Superintendent

SUBJECT: INSTRUCTIONAL CALENDAR REVISION,
2012-13

.....

EXECUTIVE SUMMARY

The district administration is requesting consideration of a revision to the 2012-13 Instructional Calendar. The calendar originally adopted by the Board has three of the first four Mondays of the school year as non-school days for students. It is possible to move the date of September 17, currently scheduled as a non-school day to Friday, November 9, 2012, where it would be paired with an existing Holiday scheduled for Monday, November 12, 2012.

RECOMMENDATION:

This item is being presented for first read and will be resubmitted for board action on February 2, 2012.

FUNDING SOURCE:

Not applicable

KN/bb

CURRENT

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT

Instructional Calendar 2012-13

August 28, 2012 through June 14, 2013

Board Approved 6-18-09

School Month		M	T	W	T	F	Student Days	Cumulative Student Days	Holiday Legal-Local	Student Holidays/Recesses
	Jul	23	24	25	26	27				
	Jul	30	31	1	2	3				
	Aug	6	7	8	9	10				
	Aug	13	14	15	16	17				
	Aug	20	[21]	[22]	[23]	[24]				8/21-24 Teacher Prep/Inservice Days
1	Aug	27	28 >	29	30	31	4	4		8/27 Teacher Non-Work Day
	Sep	3	4	5	6	7	4	8	1	8/28 First day of school
	Sep	10	11	12	13	14	5	13		9/3 Labor Day
	Sep	17	18	19	20	21	4 (17)	17	1	9/17 Certificated Non-Work Day
2	Sep	24	25	26	27	28	5	22		
	Oct	1	2	3	4	5	5	27		
	Oct	8	9	10	11	12	5	32		
	Oct	15	16	17	18	19	5 (20)	37		
3	Oct	22	23	24	25	26	5	42		
	Oct	29	30	31 #	1	2	5	47		10/31 1st Quarter Ends# (45 days)
	Nov	5	6	7	8	9	5	52		
	Nov	12	13	14	15	16	4 (19)	56	1	11/12 Veterans' Day
4	Nov	19	20	21	22	23	0	56	1 4	11/19-23 Fall Break
	Nov	26	27	28	29	30	5	61		
	Dec	3	4	5	6	7	5	66		
	Dec	10	11	12	13	14	5 (15)	71		12/14 P-1 cut off date
5	Dec	17	18	19	20	21	5	76		
	Dec	24	25	26	27	28	0	76	1 4	12/24-1/4 Winter Recess
	Jan	31	1	2	3	4	0	76	1 4	
	Jan	7	8	9	10	11	5	81		
	Jan	14	15	16	17	18	5	86		1/21 M.L. King Jr. Day
	Jan	21	22	23	24	25 #	4 (19)	90	1	1/25 1st Semester/Term Ends# (45 days)
6	Jan	28	29	30	31	1	3	93		1/28-29 Teacher Prep/Inservice Days
	Feb	4	5	6	7	8	5	98		
	Feb	11	12	13	14	15	4	102	1	2/15 Lincoln Day
	Feb	18	19	20	21	22	4 (16)	106	1	2/18 Washington Day
7	Feb	25	26	27	28	1	5	111		
	Mar	4	5	6	7	8	5	116		
	Mar	11	12	13	14	15	5	121		
	Mar	18	19	20	21	22	5 (20)	126		3/22 P-2 cut off date
8	Mar	25	26	27	28	29	5	131		
	Apr	1	2	3	4	5 #	5	136		4/5 3rd Quarter Ends# (46 days)
	Apr	8	9	10	11	12	0	136	5	4/8-12 Spring Recess
	Apr	15	16	17	18	19	5 (15)	141		
9	Apr	22	23	24	25	26	5	146		
	Apr	29	30	1	2	3	5	151		
	May	6	7	8	9	10	5	156		
	May	13	14	15	16	17	5 (20)	161		
10	May	20	21	22	23	24	5	166		
	May	27	28	29	30	31	4	170	1	5/27 Memorial Day
	Jun	3	4	5	6	7	5	175		
	Jun	10	11	12	13	14 #	5 (19)	180		6/14 2nd Semester/Term Ends# (44 days)
	Jun	17	18	19	20	21	5	5		
	Jun	24	25	26	27	28	5	10		
	Jul	1	2	3	4	5	4	14	1	7/4 Independence Day
	Jul	8	9	10	11	12	5	19		
	Jul	15	16	17	18	19	5	24		
	Jul	22	23	24	25	26	5	29		
	Jul	29	30	31	1	2	5	34		

 Holidays / Breaks / Inservice - No School

Quarter/Semester/Term Ending Dates

PROPOSED

SAN DIEGUITO UNION HIGH SCHOOL DISTRICT
Instructional Calendar 2012-13
August 28, 2012 through June 14, 2013

Board Approved 6-18-09

Revised 01-04-12

School Month		M	T	W	T	F	Student Days	Cumulative Student Days	Holiday Legal-Local	Student Holidays/Recesses
	Jul	23	24	25	26	27				
	Jul	30	31	1	2	3				
	Aug	6	7	8	9	10				
	Aug	13	14	15	16	17				
	Aug	20	[21]	[22]	[23]	[24]				8/21-24 Teacher Prep/Inservice Days
1	Aug	27	28 >	29	30	31	4	4		8/27 Teacher Non-Work Day
	Sep	3	4	5	6	7	4	8	1	8/28 First day of school
	Sep	10	11	12	13	14	5	13		9/3 Labor Day
	Sep	17	18	19	20	21	5 (18)	18	1	
2	Sep	24	25	26	27	28	5	23		
	Oct	1	2	3	4	5	5	28		
	Oct	8	9	10	11	12	5	33		
	Oct	15	16	17	18	19	5 (20)	38		
3	Oct	22	23	24	25	26	5	43		
	Oct	29	30	31 #	1	2	5	48		10/31 1st Quarter Ends# (46 days)
	Nov	5	6	7	8	9	4	52		11/9 Certificated Non-Work Day
	Nov	12	13	14	15	16	4 (18)	56	1	11/12 Veterans' Day
4	Nov	19	20	21	22	23	0	56	1 4	11/19-23 Fall Break
	Nov	26	27	28	29	30	5	61		
	Dec	3	4	5	6	7	5	66		
	Dec	10	11	12	13	14	5 (15)	71		12/14 P-1 cut off date
5	Dec	17	18	19	20	21	5	76		
	Dec	24	25	26	27	28	0	76	1 4	12/24-1/4 Winter Recess
	Jan	31	1	2	3	4	0	76	1 4	
	Jan	7	8	9	10	11	5	81		
	Jan	14	15	16	17	18	5	86		1/21 M.L. King Jr. Day
	Jan	21	22	23	24	25 #	4 (19)	90	1	1/25 1st Semester/Term Ends# (44 days)
6	Jan	28	29	30	31	1	3	93		1/28-29 Teacher Prep/Inservice Days
	Feb	4	5	6	7	8	5	98		
	Feb	11	12	13	14	15	4	102	1	2/15 Lincoln Day
	Feb	18	19	20	21	22	4 (16)	106	1	2/18 Washington Day
7	Feb	25	26	27	28	1	5	111		
	Mar	4	5	6	7	8	5	116		
	Mar	11	12	13	14	15	5	121		
	Mar	18	19	20	21	22	5 (20)	126		3/22 P-2 cut off date
8	Mar	25	26	27	28	29	5	131		
	Apr	1	2	3	4	5 #	5	136		4/5 3rd Quarter Ends# (46 days)
	Apr	8	9	10	11	12	0	136	5	4/8-12 Spring Recess
	Apr	15	16	17	18	19	5 (15)	141		
9	Apr	22	23	24	25	26	5	146		
	Apr	29	30	1	2	3	5	151		
	May	6	7	8	9	10	5	156		
	May	13	14	15	16	17	5 (20)	161		
10	May	20	21	22	23	24	5	166		
	May	27	28	29	30	31	4	170	1	5/27 Memorial Day
	Jun	3	4	5	6	7	5	175		
	Jun	10	11	12	13	14 #	5 (19)	180		6/14 2nd Semester/Term Ends# (44 days)
	Jun	17	18	19	20	21	5	5		
	Jun	24	25	26	27	28	5	10		
	Jul	1	2	3	4	5	4	14	1	7/4 Independence Day
	Jul	8	9	10	11	12	5	19		
	Jul	15	16	17	18	19	5	24		
	Jul	22	23	24	25	26	5	29		
	Jul	29	30	31	1	2	5	34		

[] Holidays / Breaks / Inservice - No School

Quarter/Semester/Term Ending Dates

San Dieguito Union High School District

INFORMATION REGARDING BOARD AGENDA ITEM

TO: BOARD OF TRUSTEES

DATE OF REPORT: December 16, 2011

BOARD MEETING DATE: January 19, 2012

**PREPARED AND
SUBMITTED BY:** Ken Noah, Superintendent

SUBJECT: DISTRICT ANALYSIS – CALIFORNIA
VOTING RIGHTS ACT

.....

EXECUTIVE SUMMARY

Attached is the preliminary analysis of the California Voting Rights Act for the San Dieguito Union High School District. The summary indicates that the 2010 Census population counts and demographics of the district indicate that creating single-member trustee voting areas in which Hispanic eligible voters could constitute a majority, is not feasible.

RECOMMENDATION:

This item is being presented to the Board for review and information. Unless the Board so directs, no further action is recommended regarding the establishment of trustee area zones.

FUNDING SOURCE:

Not applicable

KN/bb

**NIELSEN, MERKSAMER,
PARRINELLO, GROSS & LEONI, LLP**
ATTORNEYS AT LAW
2350 KERNER BOULEVARD, SUITE 250
SAN RAFAEL, CALIFORNIA 94901
TELEPHONE (415) 389-6800 FAX (415) 388-6874

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SDUHSD SUPERINTENDENT

**PERSONAL & CONFIDENTIAL
ATTORNEY CLIENT PRIVILEGED**

December 2, 2011

San Dieguito Union High School District
Ken Noah, Superintendent
710 Encinitas Blvd.
Encinitas, CA 92024-3357

Re: Preliminary Analysis California Voting Rights Act – Level I,
San Dieguito Union High School District

Dear Mr. Noah:

I have reviewed a summary chart of the 2010 Census population counts and demographics of the San Dieguito High School District prepared by National Demographics Corporation. Copy attached. The population of the school district under the 2010 Census is 165,839. 16,915 persons (10.2% of the population) indicated in response to the Census questionnaire that they are persons of Hispanic origin.

The school district has 5 trustees. Under equal population standards, the ideal population of a single-member trustee area would be 33,168. Depending on residential concentrations, persons of Hispanic origin are sufficiently numerous that they could constitute a majority of the persons in a single-member trustee area.

According to the American Community Survey data that is also reported on the attached chart from National Demographics, approximately 7,522 of the persons of Hispanic origin are citizens of voting age.

Under certain circumstances, the school district's "at-large" method of election may expose the district to potential litigation and liability under the California Voting Rights Act (CVRA). The maintenance of an at-large method of

San Dieguito Union High School District
Ken Noah, Superintendent
December 2, 2011
Page 2

election when it is possible to create a single-member trustee area system in which Hispanic eligible voters (citizens of voting age) could constitute a majority, in one or more areas, also could form part of the basis for a claim under the federal Voting Rights Act.

Given the district's low percentage of Hispanic population and low numbers of citizens of voting age who are of Hispanic origin, it is unlikely that the school district would be a target under either of these acts. There are no guarantees, however, because the CVRA purports to protect a minority group's ability to "influence" the outcome of elections. No court has yet ruled on what "influence" means, and the only truly safe harbor from a lawsuit under the CVRA is establishing single-member trustee areas for board member elections.

At this time, testing the feasibility of creating a single-member trustee area in which persons of Hispanic origin could constitute a majority would not, in my view, shed additional light on whether the district is a likely litigation target.

Please let me know if you have questions.

Sincerely,



Marguerite Mary Leoni

MML/klh

cc: Lora Duzyk, Assistant Superintendent for Business Services
Keith Butler, Ph.D., Consultant, Business Advisory Services
San Diego County Board of Education

[2116.02]

San Dieguito Union High School District

INFORMATION FOR BOARD OF TRUSTEES

TO: BOARD OF TRUSTEES

DATE OF REPORT: January 10, 2012

BOARD MEETING DATE: January 19, 2012

PREPARED BY: Eric R. Dill, Assoc Supt., Business Services

SUBMITTED BY: Ken Noah, Superintendent

SUBJECT: UPDATE ON GOVERNOR'S PROPOSED
2012-13 BUDGET

On Thursday, January 5, 2012, the Governor released his proposed budget for the 2012-13 fiscal year. The proposed budget significantly impacts the District in several ways. As of the date of this report, there is little detail on how the Governor proposes to enact his proposals. Our analysis of the budget detail is ongoing and our interpretation of the material will continue to develop as information emerges.

Our initial understanding of the proposed budget and its effects on the District are as follows:

Proposition 98

The Proposition 98 guarantee will grow by nearly \$5 billion in 2012-13 based on anticipated growth and potential revenues derived from the Governor's temporary tax initiative. While it would appear on the surface that schools will benefit from this growth in state revenue, the state will be using this new revenue to reduce cross-year deferrals of payments to schools. Coupled with a zero cost of living adjustment (COLA), this means more cash to revenue limit districts in the budget year without any increase to the revenue limits.

If the Governor's tax initiative does not pass or fails to make the ballot, then K-14 would suffer another round of trigger cuts. The first \$2.2 billion reduction would come through reinstatement of cross-year deferrals. The second \$2.6 billion would come through a shift of school bond debt service from capital funds to Prop 98. This would reduce the amount of funding available for schools.

ITEM 20

The zero COLA in 2012-13 will likely increase the District's Fair Share contribution in 2013-14 as our property tax naturally grows. Any mid-year cut to the revenue limit will also cause the level of our excess tax to artificially inflate and result in a higher Fair Share payment to the state in the following year.

Revenue Limits and Categorical Programs

The Governor is proposing a major change in categorical funding by eliminating all programs that are not federally mandated (i.e., special education), consolidating the funding and distributing it to districts as general purpose funding through a weighted formula based on the number of the districts' disadvantaged students. This shift would be phased in over a five-year period.

It is unknown at this time whether or not Basic Aid districts would be eligible for this funding or if it would be rolled into the revenue limit. Due to the weighted factors in the presumed formula, however, it is unlikely that our district would be entitled to an amount of funding that is at least equal to what we have received in the past through general ADA-driven categorical programs.

Transportation Funding

Transportation funding was not specifically mentioned in the budget proposal summary. Buried in the budget detail was elimination of all state transportation—both home-to-school and special education transportation—without any commentary or explanation. Without any further detail at this time, it appears that the Governor is officially ending the state's support of all pupil transportation.

For the District, this means the loss of \$480 thousand in home-to-school funding and \$60 thousand in special education transportation funding. As the Board will recall, transportation was subject to a mid-year reduction as part of this year's trigger cuts. The state also reduced funding by 20% in 2009-10. The cumulative effect of the home-to-school funding reduction and trigger cut this year results in a \$550 thousand encroachment on the unrestricted general fund. If the Governor's proposal is enacted in the final budget, the District's revenue shortfall for home-to-school transportation will be in excess of \$750 thousand.

The impact on the District's 2012-13 budget from the loss of transportation funding will be immediate and increase our deficit. Options to address this shortfall will be brought back to the Board for consideration, including:

- Using the unrestricted general fund to support home-to-school transportation
- Substantial increase in the bus pass fee
- Elimination of middle school transportation

The (Few) Bright Spots

The budget proposal calls for funding mental health services, which finally resolves the issue created by the previous governor's veto of that funding to counties which shifted responsibility to school districts.

ITEM 20

Half of the existing state mandates will be repealed and districts will no longer be obligated to perform the services. The remaining mandates will be made optional and districts may be compensated for performing the services. As soon as we learn which mandates will be eliminated and which will become optional, staff will evaluate which activities we will cease and which will be worth continuing.

The California Supreme Court's ruling on the abolishment of redevelopment agencies will eventually result in an increase in local property tax as those dollars are redistributed to local agencies. Existing bonds issued by redevelopment agencies must be paid, so any increase in local tax derived from the dissolution of RDAs relies on local property tax growth and retirement of debt. In other words, we do not expect an early windfall but rather a gradual escalation over time.

Conclusion

The budget released by the Governor last week is a starting point. While it may be easier for this governor to pass a budget through the legislation, there are likely to be some changes before the final budget act is signed. We are closely watching the situation in Sacramento to determine what impacts any proposals might have on the development of the District's budget. Staff is attending the School Services of California workshop on the Governor's budget on Wednesday, January 18, and hope to bring back more information and clarity related to this item.